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NEWSPAPER

**A tough year for 2nd tier?**

Focus section/Page F3

**Restaurants revive dingy Denver district**

Uptown reaching heights/Page

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Nation's
Restaurant News®
The Weekly Newspaper of the Food-Service Industry

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NRN Photo

Bern Laxer in dining room of new dessert restaurant.

# Just desserts

## *Bern Laxer unveils lavish upstairs after-dinner room*

**By Marilyn Alva**

TAMPA, Fla. — In an unusual and enormous undertaking designed to turn tables faster, Bern's Steak House has opened a second-floor dessert restaurant that nearly equals in size and lavishness the downstairs maze of rooms that have been landmarks of fine dining here for more than 20 years.

In effect, the new 6,000-sq.-ft. dessert floor is a whole new restaurant complete with separate menu, staff and checks.

The project was 10 years in the planning and one year in the making at an estimated cost of close to $1 million.

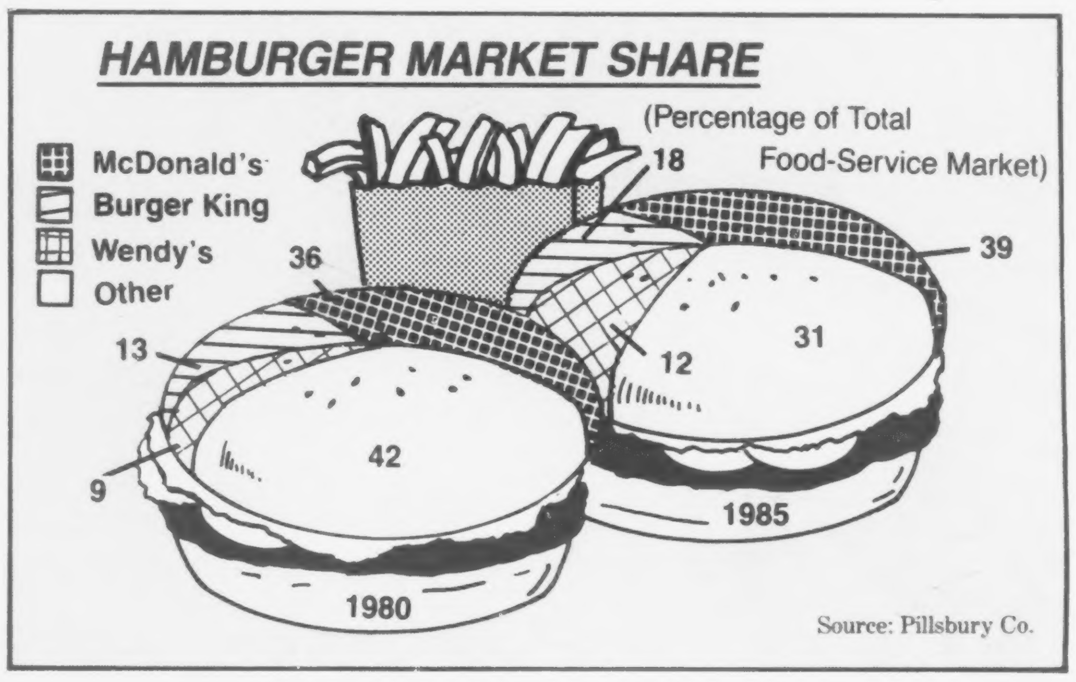
Although the concept is still evolving, current menu offerings feature dozens of cognacs, brandies and liqueurs as well as an array of made-on-the-premises ice creams, sher-

*(See **BERN**, page 16)*

# Industry sales slump stings the Big Three burger chains

## *Burger King, Wendy's store volumes fall*

**By David Zuckerman and Rick Telberg**



Source: Pillsbury Co.

Widespread problems in food service are finally afflicting the Big Three fast-food burger chains, which have been outperforming competitors in other segments for the last two years.

Burger King has conceded real sales per unit—after factoring out menu price increases—fell 4.5% in the first six months of the current fiscal year. Wendy's said average unit volumes dropped 1.5% in 1985. And even McDonald's is reporting sales gains that are only minimal.

Still, the Big Three, because of unabated unit expansion, have managed to score significant gains in market share at the expense of smaller chains (see chart). In other segments, industrywide sluggishness is hitting all but a few segment leaders—Long John Silver's, Sizzler, Pizza Hut, Taco Bell and Dunkin Donuts, for example.

For Burger King, industry softness and a massive advertising barrage from chief rival McDonald's were responsible not only for the dip in real sales in the six months ended Nov. 30, but for a 5% drop in nominal sales in December compared with year-earlier levels, the company said.

"They hit us with their biggest advertising blitz ever, $1 million a day," groused Burg-

*(See **BIG THREE**, page 143)*

# Olive Garden eyes 20 units in '86

## *General Mills steps up capital spending on restaurants*

**By Rick Telberg**

WESLEY CHAPEL, Fla. — General Mills Inc. plans to expand its 10-unit Olive Garden Italian dinnerhouse chain to a 100-store nationwide concept by 1990, beginning with 20 new restaurants this year, said restaurant group president Joe Lee.

In addition, the experimental eight-unit chain of Leann Chin's Chinese restaurants and food shops in Minneapolis and St. Paul, Minn., will test home delivery and expand into a second market, Lee said at a conference of Wall Street analysts.

The growth plans are part of an effort to restart expansion in the restaurant group, which is led by the 372-unit Red Lobster seafood dinnerhouse chain, after a year of restructuring in which three chains have been jettisoned and corporate staffs were cut 20%, executives said. (Related story, on new Red Lobster president, *page 3)*

General Mills chairman Bruce Atwater told about 173 securities analysts gathered here

*(See **EXPANSION**, page 143)*

# Fast feeders are major winners in take-out sweepstakes

**By Don Jeffrey**

Younger people and working women buy take-out food more than other groups do, according to a recent Gallup poll, and they are most likely to buy a hamburger from a fast-food restaurant.

In all, 11% of those surveyed by Gallup from December 1984 through November 1985 reported purchasing take-out food on the day before they were interviewed. That is not statistically different from the previous year's 12% figure.

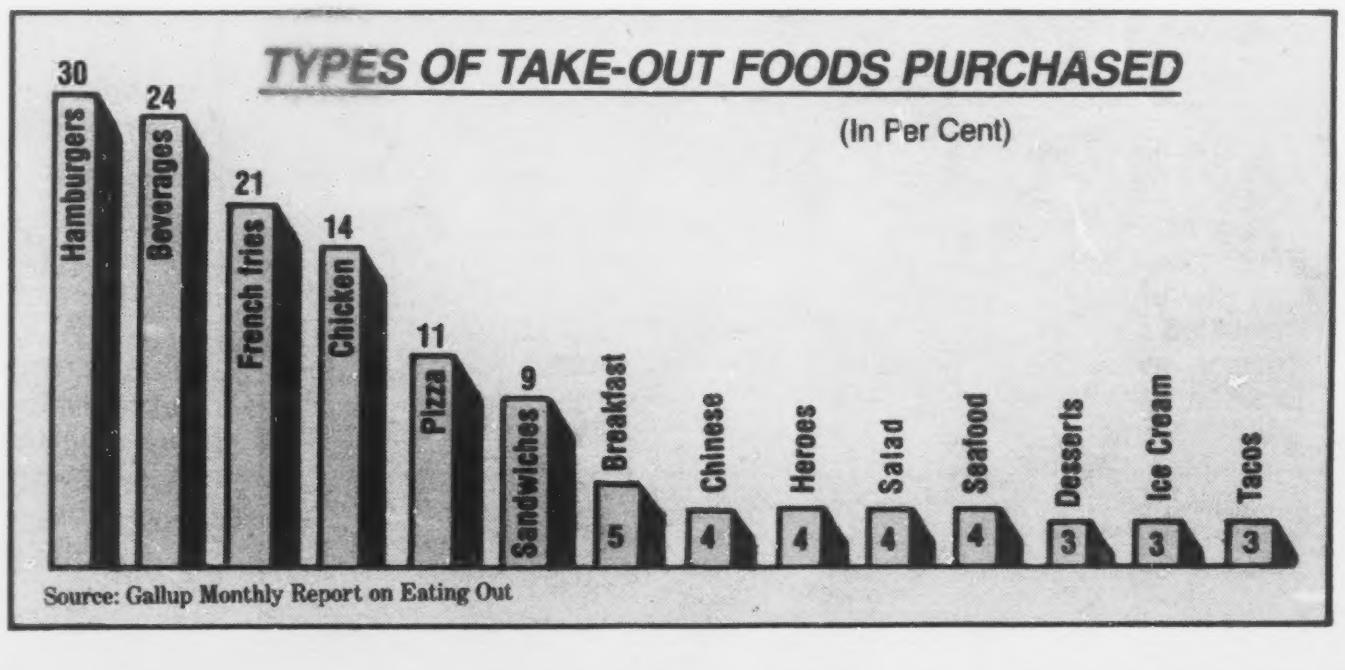
Meals most suited to takeout are lunch (40%) and dinner (42%) according to the poll. Those results, too, are not significantly different from the figures for the year before—41% and 43%, respectively.

Eight per cent said they bought a take-out breakfast; in 1984 it was 7%. Snacks, however, showed a more prominent gain, to 12% in the past year, from 9% in 1984.

The poll found no significant regional differences in takeout frequency, which led Gallup to say that the "potential for a successful take-out operation exists nationwide."

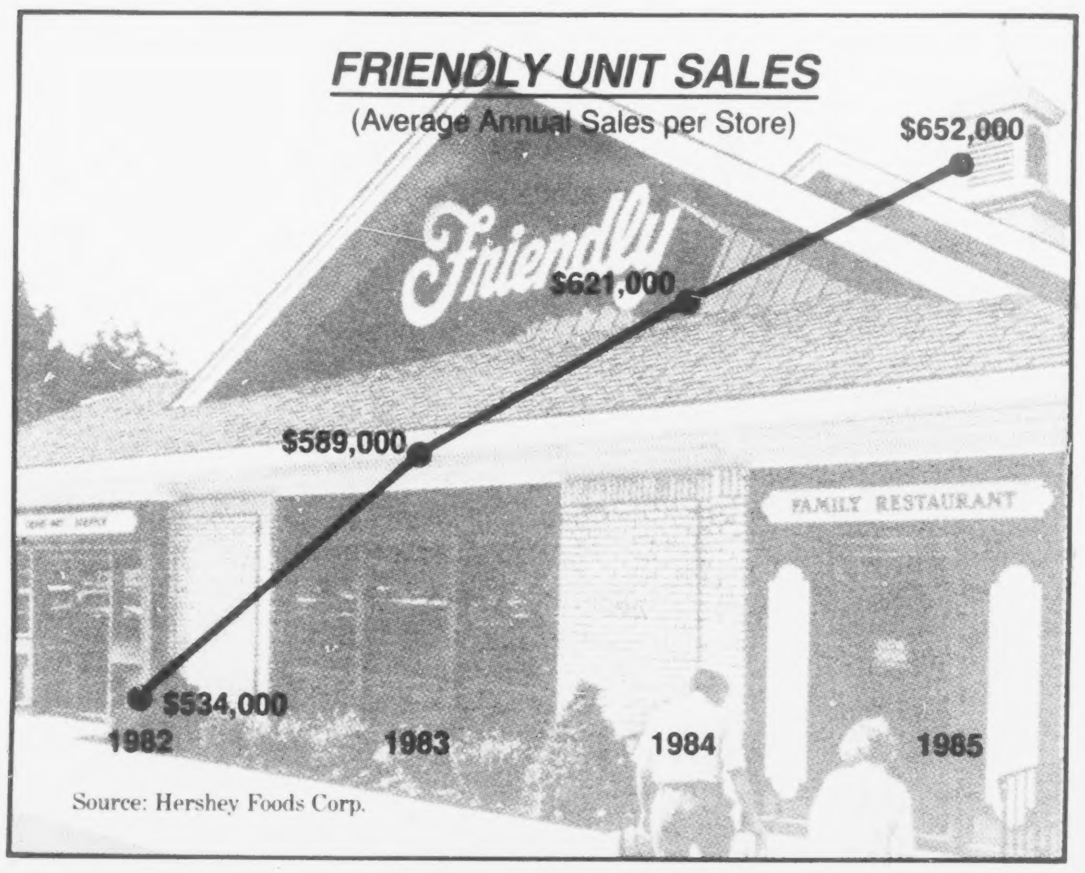
Fast-food restaurants were over-

*(See **TAKE-OUT**, page 143)*



Source: Gallup Monthly Report on Eating Out

# Friendly Ice Cream unveils new breakfast menu



Source: Hershey Foods Corp.

## *Aims to speed service during morning hours*

WESLEY CHAPEL, Fla. — The 752-unit Friendly Ice Cream restaurant is rolling out a new breakfast menu and new operating procedures to speed service in an effort to regain lost customers, officials said.

Richard Zimmerman, chairman of Friendly parent Hershey Foods Corp., told a Wall Street conference here, "Friendly has lost some ground at breakfast."

The chief executive said the new menus would be heralded with tent cards and other in-store promotions. In addition, the chain, which Zimmerman noted has faced difficult problems with service, would attempt to serve breakfasts "so customers can get in and out in 20 minutes."

Last year Friendly grossed $471 million, an annual increase of 10%, as operating earnings advanced 2%, to $43 million, leaving margins which were "unsatisfactory," Zimmerman said.

The chain was hurt, he said, by a "severe" labor shortage in New England, where most Friendlys operate, which necessitated higher wage rates and training expenses.

Forty restaurants were added last year, including 12 newly acquired Franklin's restaurants, which serve little ice cream. Friendly derives 40% of its sales from ice cream, which, Zimmerman said, limits food-service operating performance but compensates with wider margins.

Hamburger sales rose 15% last year as the result of a new 6-oz. burger unveiled in June. Friendly units averaged $652,000 in annual sales last year, up 5%.

The chain's expansion will be targeted toward Florida this year.

# Sizzler officials to play marketing 'hardball'

## *New products, promotions aimed at maintaining traffic-count gains*

**By Rick Telberg**

NEW YORK — Facing what was characterized as kamikaze competition, executives at the 472-unit Sizzler chain unveiled for financial analysts here a heavily promotional marketing strategy aimed at maintaining the operation's two-year string of traffic-count gains.

Dubbed "hardball marketing" by Sizzler officials, the plan stockpiles an arsenal of advertising angles that tout steak, seafood and combination platters at specific price points while, they asserted, shying from margin-eroding discounts. It includes:

- Rolling out two new steak dishes, a ½-lb. filet at $5.99 and a 13-oz. strip at $6.99. A "shrimpfest" platter, priced at $5.99, is being advertised with music-video-styled commercials.
- Promoting $2.99-$5.99 platters to pre-empt challengers' price-off threats. For example, a $4.99 roast beef dish, officials said, has a perceived value of $8.99 in market research.
- Building usually slow Monday-to-Thursday traffic with narrowly targeted radio commercials. Tests have produced 15% to 20% early-week sales gains, officials said.

As restaurateurs increasingly seek to reverse slumping sales trends by discounting prices, a number of operators have adopted marketing policies similar to Sizzler's. Church's Fried Chicken, for

*(See **SIZZLER**, page 125)*

**Sizzler Restaurants International**
Los Angeles
Operates 472 Sizzler restaurants, including 144 company-owned units and 328 franchised units. Acquired 77-unit Rustler chain from Tenly Enterprises Inc. in July 1985 for conversion to Sizzlers. Spun off November 1982 from Collins Foods International Inc., which still owns 70% of stock.
Chairman: James Collins
President and chief executive: Thomas Gregory
Recent financial results, for three months ended Jan. 31:
Revenue $44 million, up 16%
Net income $2.2 million, up 12%
Stock, traded over the counter:
Recent price $19
52-week range $12-$20

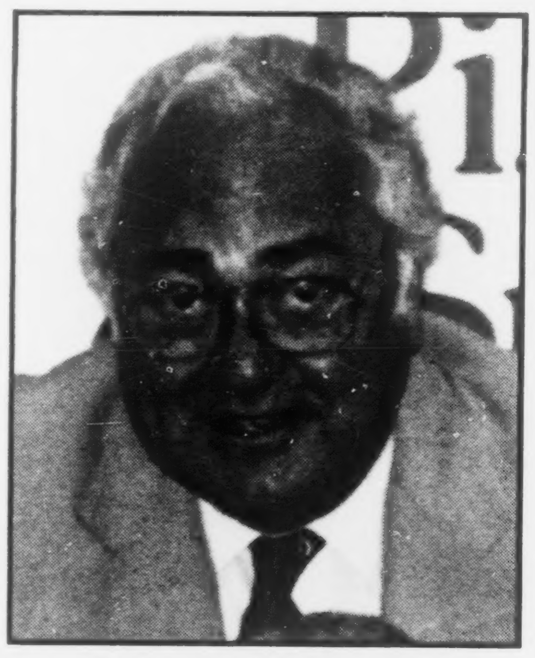
# Greyhound pegs Eberle as Cassano's chief exec

PHOENIX — Greyhound Food Management has wasted no time in shuffling executives at Cassano's, the 75-unit pizza chain it acquired last month from founder Victor Cassano Sr., and serving notice that it intends to compete directly with Domino's Pizza for a share of the burgeoning home-delivered pizza market.

Greg Eberle, who had served as executive vice president of Greyhound's fast-food and franchised Burger King divisions, was named Cassano's chairman and chief executive, replacing Cassano who was given the title of senior executive, reportedly with diminished operations responsibilities.

Cassano's son, Victor Cassano Jr., was moved up to president and chief operating officer of the Dayton, Ohio-based chain from vice president. Howard Neff, who had been president and treasurer,

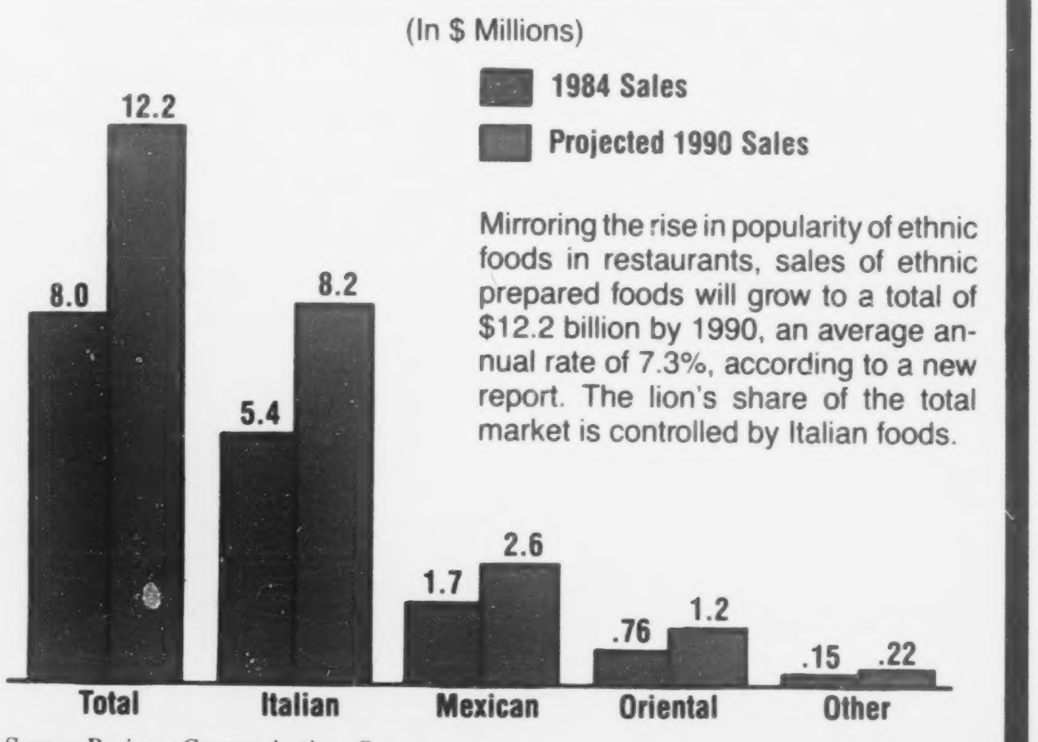
*(See **CASSANO's**, page 125)*



**Victor J. Cassano Sr.**
*Cassano's senior executive*

NRN FACT FILE

## *ETHNIC FOOD SALES HEAT UP*



Mirroring the rise in popularity of ethnic foods in restaurants, sales of ethnic prepared foods will grow to a total of $12.2 billion by 1990, an average annual rate of 7.3%, according to a new report. The lion's share of the total market is controlled by Italian foods.

Source: Business Communications Company

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## *LATE NEWS DIGEST*

### HoJo sale negotiated

NEW YORK — Prime Motor Inns is negotiating the sale of the Howard Johnnson franchise restaurant system, which Prime acquired in November, to a group of franchisees, said Melvin Taub, vice chairman. He commented that the restaurants are not profitable.

Prime also plans to launch a new franchised chain of hotels called Howard Johnson Park Square Inns.

### Good Earth rights sold

ENCINO, Calif. — General Mills has sold the franchise rights to its Good Earth chain of healthful-food restaurants to Good Earth Corp., an eight-unit franchisee based here. Terms of the deal were not disclosed.

Ebs Wilson, president of Good Earth Corp., said his company would operate eight restaurants and license 15 others, with plans to begin franchising this year. General Mills is in the process of converting its 16 remaining Good Earths to Olive Garden Italian dinnerhouses. It did not sell the company stores.

### TV ad spending up 17%

NEW YORK — Restaurants and fast-food chains topped the $1 billion mark in television advertising spending for the first time last year, according to the Television Bureau of Advertising (TvB.) Spending in the category rose 17%, to $1.08 billion.

Leading the category again was McDonald's, which spent $303 million on network and local television, a 19% increase over the 1984 figure. No. 2 Burger King spent $155 million, a 20% gain. Domino's showed the largest one-year increase, upping its television budget 202%, to $17.4 million.

**WALL STREET UPDATE**

2.8

### Index reaches 151.1

NEW YORK — The *Nation's Restaurant News* Stock Index finished at a record high for the fourth consecutive week, moving up 2.8 points to close Feb. 28 at 151.1. Issues advancing in price beat the decliners, 93 to 58.

**(Story, charts on pages 144-145)**

### Chain in Chapter 11

BALTIMORE — Joloj Industries, the holding company that owns and operates Chicken George fast-food restaurants, has filed for protection from creditors under provisions of Chapter 11 of the Federal Bankruptcy code.

Joyce Knox, president and chief executive, said the dozen Chicken George outlets in Baltimore, Philadelphia and Washington will continue to operate during reorganization. Founder Theodore N. Holmes said the chain sought protection because of action taken by a creditor against an affiliated, nonfood enterprise, Atlantic Personnel Services.

Nation's
Restaurant News

# FOCUS

**SECOND-TIER CHAINS**

# A TOUGH YEAR FOR THE SECOND TIER?

**As an industrywide shakeout continues, some regional and local chains are managing to hold their own, and even prosper, in their competitive battles against the giants of food service.**

# FOCUS NRN

SECOND TIER

# SHAKEOUT REACHING PEAK NATIONWIDE

**By Rick Telberg**

The death toll is mounting among Second Tier food-service chains as they battle for survival against the high-powered arsenals of their coast-to-coast competitors.

A brutal shakeout is reaching its peak this year in which members of the *Nation's Restaurant News* Top 100 figure to lengthen their gains against fledging and midsized chains, grouped loosely into what *NRN* terms the Second Tier.

But tenacious operators and starry-eyed entrepreneurs continue to flood the ranks of the Second Tier to make up for losses. Second Tier chains account for one out of six restaurants in the United States, a figure that has changed little in the 1980's, according to *NRN* research.

"As you go down the list from biggest chain to smallest chain," said Carl DiBiase, chief analyst at Restaurant Trends Inc. of Middletown Township, N.J., "you see that the performance deteriorates."

"There is a shakeout going on," he said. "The big chains are making meat pie out of smaller chains."

In recent months the list of failures or distress sales has lengthened. It now includes: Peoples Restaurants, Kelly-Johnston Enterprises, Good Taco, Fresher Cooker, One Potato Two, Acapulco Restaurants, Naugles and Tokyo Bowl, to name a few.

Chains finding success are carving defensible niches in parts of the business where huge chains have not yet tread: Sandwich-shop chains such as Subway, for example, or Doubletree Hotels, a hotelier that is touting its point-of-difference as stylish dining.

"You have to be an optimist in this business," noted Sheldon Smith, chairman of Old Fashion Foods Inc. in Austell, Ga., which operates the 14-unit Mighty Casey's hotdog chain. "The winners in this business are the ones who can offer something a little unique."

From fast food to hotel fine dining, brave and innovative entrepreneurs are seeking the American Dream in the food-service industry. There are 2,360 companies in the nation operating fewer than 200 outlets each, according to *NRN* research.

The Second Tier faces increasing pressures from the nation's biggest restaurant chains. *NRN* calculates that last year the Top 100 expanded its share of the food-service market to 44%, or $67.1 billion, up from 41%, or $58.1 billion, the year before.

But after formulating a winning concept, most Second Tier chains can still fail at critical junctures in their growth strategy.

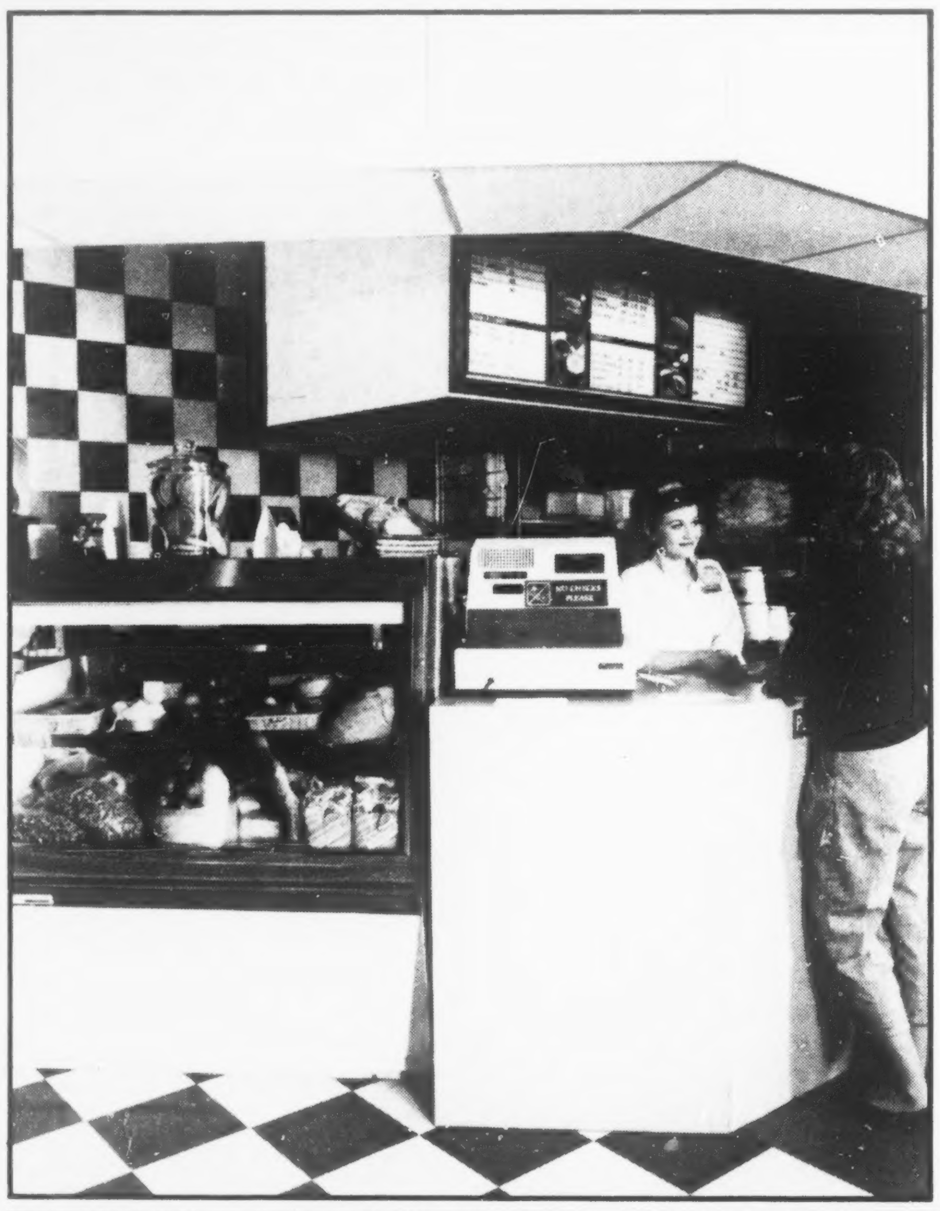
"The biggest mistake operators make comes when they try to expand out of their home territory," said Ron Paul, president of Technomic Consultants Inc. in Chicago. "There are pockets of saturation in this business, and markets are so localized that Phoenix may be unlike Tucson even if they are both in the same state."

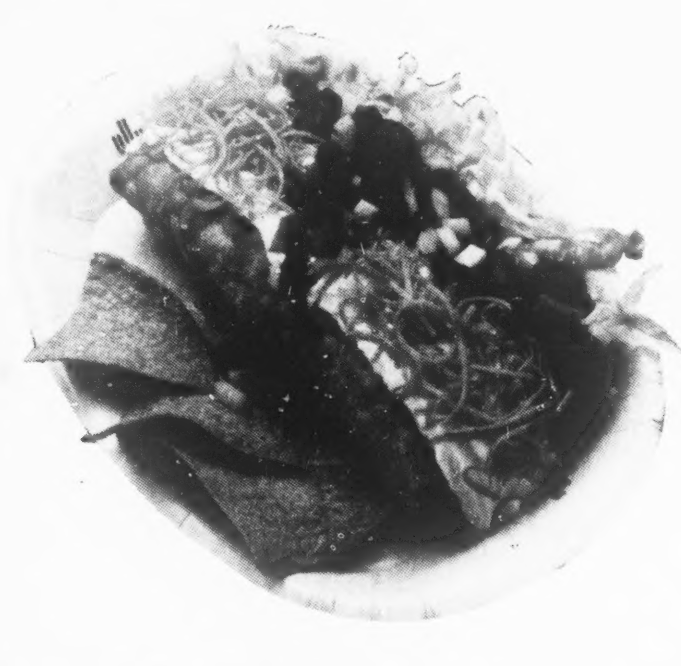
Robert Freeman, president of Road House Restaurants Inc. of Mill Valley, Calif., figures his five-dinnerhouse organization is reaching a critical phase he terms "The Bermuda Triangle." "You know," he said, defining the term, "when you go in with high hopes at one end, but you just get sucked in and never come out."

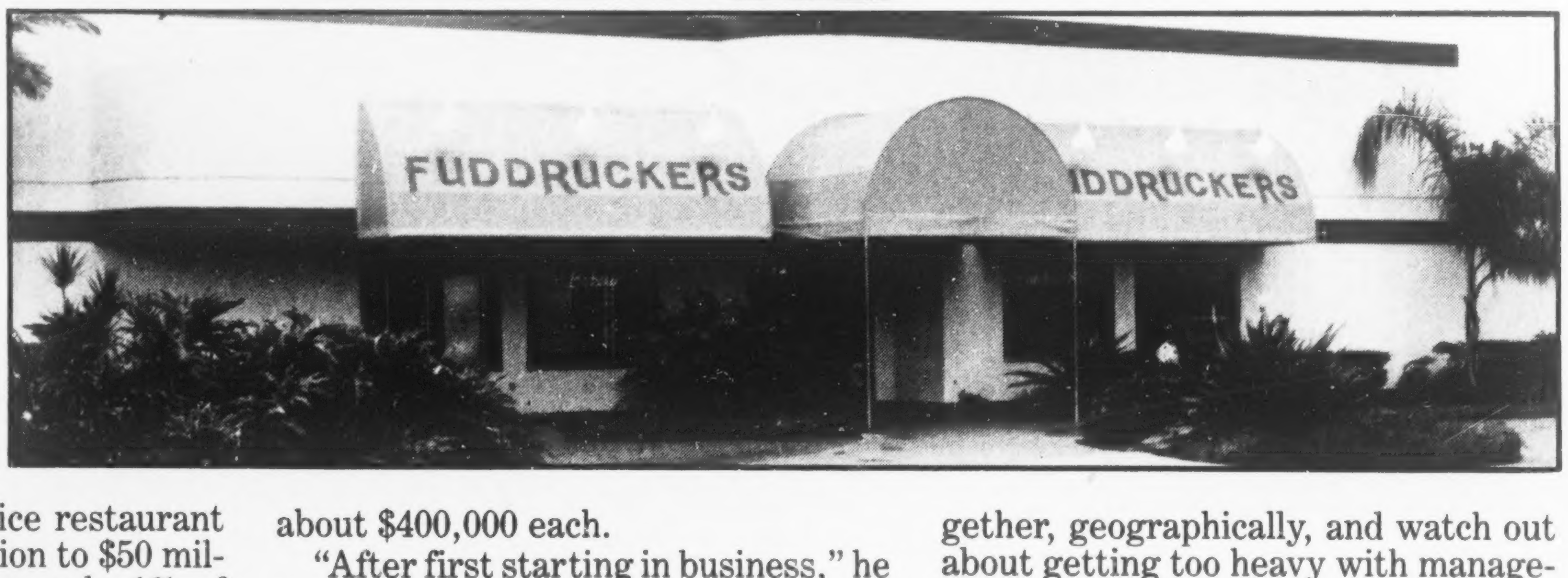
Freeman has been there before: He was one of the founders of Victoria Station Inc., a now-ailing dinnerhouse chain with a railroad-car decor.

But now he plans to double his company's size in one year by replicating the successful California GX Cafe concept throughout the San Francisco area. "It's already getting hard to manage everything ourselves," he said. "And that's when some of the fun goes out of it."

Fun or not, Freeman is under pressure from his financial backers. Patrick Hopf—managing director of the T. Rowe Price Threshold Fund, which invested $1.3 million in Road House—said he expects a 50% annualized return in two to five years.







**Numerous second-tier chains are managing to avoid the troubles afflicting some smaller operations. At left, Schlotzsky's new unit prototype features a deli display case. The sandwich chain offers a product that doesn't compete directly with many of the leaders. Above, Taco Time has introduced chimichangas to its menu. And, below, Fuddruckers has stayed with its burger-oriented menu in 1985.**

But much investment in Second Tier chains has dried up in recent years as up-and-coming operations quickly went down and out.

Richard Pyle, a securities analyst who follows the restaurant industry for Piper, Jaffray & Hopwood Inc. brokerage in Minneapolis, noted, "McDonald's spends more on advertising than Chi-Chi's, no small player itself, has in revenues."

Since mid-1983 Piper's stock index of emerging chains has plummeted more than 40% with no signs of a turnaround in sight.

"When things get just a little bad for the restaurant business," Pyle said, "they get real bad for this group."

Times were never easy for Second Tier chains. Dun & Bradstreet Corp., the credit-rating agency, estimates that full-service restaurant companies with $10 million to $50 million in annual sales earn only 1% of sales after taxes. Companies either smaller or larger are three times more profitable.

But it is among full-service chains that Technomic's Paul sees the greatest opportunities. "Consumers are staging a rebellion against chain restaurants in general. And that mostly means fast food," he said. "But a regional operator who stays in touch with his customers can move quicker and easier to satisfy local tastes."

And yet in fast food no visionary entrepreneur has yet been able to develop a coast-to-coast chain serving either Oriental or Italian food, Paul noted. "And in pizza we could yet see another national chain."

That was Smith's strategy when he launched Mighty Casey's several years ago. "We try to have something the Big Macs of the world don't," he said, pointing to his chain's chili dogs, fried onion rings and spicy chicken wings. "You can't get them at McDonald's, Wendy's or Burger King," he said.

But Mighty Casey's has had its growth pains as well. Expansion was shut down for almost a year when it became clear that the sales volumes Casey's was garnering were not enough to support the investment.

Now Smith has rekindled expansion with a building 25% smaller at 2,250 sq. ft. and $150,000 cheaper to build at about $400,000 each.

"After first starting in business," he said, "the toughest thing is understanding how hard or expensive it's going to be. There have been a lot of sleepless nights."

If many analysts are correct, Smith and his Second Tier colleagues will have many more sleepless nights ahead of them. "The restaurant business has reached a stage of maturity," DiBiase said. "A lot of the zing has gone out of it, and the competition has just gotten more intense."

"The battle now is a lot like World War I," he said. "It's being fought in the trenches with a lot of bloodshed and very little real movement."

"The successful chains are the ones that can make end runs around the big guys, as Domino's did against Pizza Hut with its delivery system."

Venture fund manager Hopf figures Road House can make those end runs. "They are doing a few things differently," he said. "They have fresh fish, Cajun food, mesquite grills, a good wine list and a piano bar. But they are smart enough and small enough to change with the times when the time comes."

Road House's Freeman, for his part, wants to hold the reins on growth. "At Victoria Station people used to ask how big we wanted to be," he recalled. "I'd pick a number out of the air. It shouldn't be done that way. We have to keep our restaurants today close together, geographically, and watch out about getting too heavy with management."

That is one reason why analyst Pyle is recommending the newly issued stock of Buffets Inc. The Wayzata, Minn., company operates 12 Old Country Buffet fixed-price cafeterias all within a day's drive for top management. He foresees years of steady double-digit growth at Buffets until the company reaches about 80 outlets. "At that point," he said, "management ability to deal with a new sort of corporate structure will be tested."

"The biggest risk at any growing company," he said, "is spreading management too thin."

FOCUS | NRN

### SECOND-TIER CHAINS

# Independent restaurant groups: many approaches

By Paul Frumkin

The fine line that has existed for years between independent restaurant groups and chain operators appears to be dissolving rapidly as various groups succumb to the lure of operating multiunit concepts.

Independent companies that had preferred in the past to develop individualized specialty operations designed to cater to a specific market or location are now looking to replicate existing concepts in many areas. Ed Debevic's Short Orders Deluxe, developed by the Chicago-based Lettuce Entertain You Enterprises and Big 4 Restaurants of Phoenix—with the backing of Collins Foods—is, of course, the most visible of those new concepts. But there are clearly others as well.

Lettuce Entertain You has plans to take the pizza restaurant concept Gino's East into New York and perhaps beyond. Big 4 is examining other markets for its steakhouse operation, Oscar Taylor. The New York Restaurant Group hopes to open a second Smith & Wollensky steakhouse in Chicago later this year, with more to follow in other major cities. The Peasant Restaurants in Atlanta have already opened three of their 1950's-style diner concept, Mick's, and expect to open two more by 1987. And Ark Restaurants in New York has opened three Albuquerque Eats—a concept featuring Southwestern cooking—and two Ernie's, the company's Northern Italian restaurants.

However, the decision to try their hands at operating multiunit concepts—in addition to their other various restaurants—is not part of any long-term strategy, most of the operators said. Dawn Reithel, director of communications for Lettuce Entertain You, explained that the idea to expand came from outside of the company. "No one in the company sat back five years ago and said, "We should open an operation out in Los Angeles,'" Reithel said. "People came to us and said, 'You ought to expand Ed's.' And the same thing happened with Gino's East.

"The concepts were right for it."

And along with the new interest in multiunit expansion has come the decision to operate restaurants in areas previously outside of the groups' original marketplace. With the exception of Restaurants Unlimited—which until recently operated restaurants West of the Rocky Mountains and in Hawaii—most companies clustered restaurants in and around their headquarters city, chiefly for operational expediency. In an earlier interview, Michael Weinstein, president of Ark Restaurants, half-seriously said, "Going into the suburbs or a smaller city is a major crisis. We like to be able to get to our restaurants by jogging or by bicycle."

And yet Ark has expanded into New Jersey with Ernie's, Albuquerque Eats and, in April, America's Diner. Furthermore, explained Weinstein, if those restaurants succeed, Ark will begin seriously to consider opening operations in another East Coast city, such as Boston or Washington, D.C.

In addition to the groups already gearing up for expansion outside of their original marketplace, the Levy Organization in Chicago opened three operations in One Mellon Center in Pittsburgh. And also in 1985, Restaurants Unlimited pushed east with the opening of Stats in Chicago.

### Ark Restaurants

Ark Restaurants went public in 1985 with an offering of one million shares for $7.50 each. The shares were issued to help build five more restaurants, repay bank debt and to raise working capital. To date, the shares have risen to $12.75 each.

During the year Ark opened a new concept, Betty Brown's Broadway Diner—a 6,000-sq.-ft. contemporary malt shop concept—in Manhattan as well as Albuquerque East and Ernie's Hackensack in New Jersey. Weinstein said, however, that so far sales at Ernie's have not matched initial expectations. "We're not drawing the word-of-mouth crowds we would do in New York," he explained. "There's no restaurant mania in New Jersey like there is in New York." To boost business, Weinstein said that Ark may start advertising the New Jersey Ernie's—"and we never advertised before," he added.

Ark also has plans to open the 300-seat America's Diner in Verona, N.J., in April, and B. Smith's—a 200-seat operation with rooftop dining—at 47th Street and Eighth Avenue in Manhattan in late spring.

Weinstein said that for the near future, Ark will be keeping a close watch on the New Jersey operation. If they prove successful, the group will consider opening five more restaurants in another city—probably Boston or Philadelphia.

### Lettuce Entertain You Enterprises

After masterminding the wildly successful nostalgia concept Ed Debevic's for Collins Foods in 1984, many wondered where Rich Melman would go from there. Curiously, much of his visibility in 1985 came from consulting on another nostalgia concept, a revived version of the old Playboy Club in Manhattan. In this case, though, Melman pulled out all of the stops to make the club appear trendy, implementing a buffet that served sushi, pasta, gourmet pizzas, raw clams and a few Cajun dishes. Male "rabbits" also joined the ubiquitous Playboy bunnies.

Back in Chicago, however, Lettuce Entertain You opened two decidedly contemporary concepts recently. Cafe Ba-Ba-Reeba, a tapas bar, apparently has customers lining up to get in, and the Savoy Bar & Grill, an upscale cafeteria in the densely populated financial district, could also turn into a hit for the group. According to Dawn Reithel, the Savoy will be an alternative for fast food in the financial district, featuring fine food served on self-service open cafeteria line. The elegantly appointed 375-seat restaurant will also feature an 18-ft. appetizer bar and table service for drinks. Average checks are expected to range from $7 to $9.

### Levy Organization

Expansion was definitely in the cards for the Levy Organization in 1985. The company opened five operations—Eadie's Kitchen and Market, Antonio's Pizza, Mrs. Levy's, Venture's Club & Grille and Cafe Chicago—in the Sears Tower in Chicago and three operations—The Carlton, Eadie's Kitchen and Eadie's market—in One Mellon Center in Pittsburgh. According to Levy's president Tom Heymann, that increase in operations should push the company's gross from $31 million in 1985 to $43 million in 1986.

Heyman also noted that while the group is now operating the three operations in Pittsburgh, they still find it preferable to run restaurants in Chicago, largely for the ease of management. "In Pittsburgh, the operations are close together, so we have economies of management," he explained. "We wouldn't turn down the World Trade Center [in New York] either."

(See GROUPS, page F8)

## SELECTED SECOND-TIER INDEPENDENT GROUPS

| Company | Headquarters | Total Sales** (Millions) | Number of Units | Restaurant Names |
|---|---|---|---|---|
| **Anthony's Fine Restaurants** | Boston | $20.0 | 5 | Anthony's Commaquid Inn, Anthony's Pier 4, General Glover House, Hawthorne by the Sea, Anthony's Hawthorne |
| **Ark Restaurants Corp.** | New York | 19.0 | 12 | Albuquerque Eats (3), America, Ernie's, Ernie's Hackensack, Betty Brown's Broadway Diner, Metropolitan Café, Nanny Rose, Perretti's |
| **Big 4 Restaurants** | Phoenix, Ariz. | 28.0 | 14 | Lunt Avenue Marble Club (6), Oscar Taylor's (3), Ed Debevic's, Pop's, American Grill, LoPerchio's, Cicero's |
| **Brennan's Restaurants** | New Orleans, La. | 10.0 | 3 | Commander's Palace, Mr. B's Bistro, Brennan's Houston |
| **Horst Mager's Specialty Restaurants** | Portland, Ore. | 3.0 | 3 | Tivoli Garden, Rheinlander, Couch Street Fish House |
| **Landry's** | Katy, Tex. | 17.0 | 5 | Willie G's, Jimmie G's, Magnolia Bar, Don's, Landry's Seafood Inn & Oyster Bar |
| **Lettuce Entertain You Enterprises** | Chicago | 48.0* | 22 | R. J. Grunt's (2), Fritz That's It, Lawrence of Oregano, Gino's East (3), Bones, Pump Room, Byfield's, Ambria, Un Grand Café, Avanzare, Sylvie's, Don & Charlie's, Rupert's (3), Ed Debevic's (2), Shaw's Crab House, Café Ba-ba-Reeba, Savoy Bar and Grill |
| **Levy Organization** | Chicago | 31.0 | 23 | Spiaggia, Café Spiaggia, Chef's Express Catering, Chestnut Street Grille, Chicago Mercantile Club, City Tavern, D. B. Kaplans, Dos Hermanos Cantina (2), Eaternity, Great State Fair, Hillary's, Mrs.Levy's, Randalls, Ravinia, Sox Park, Venture's Club & Grille, Eadie's Kitchen & Market, The Carlton, Eadie's Kitchen, Eadie's Market, Antonio's Pizza, Café Chicago |
| **Tony May Group** | New York | 3.0 | 3 | La Camelia, Sandro's, Palio |
| **New York Restaurant Group** | New York | 22.0 | 4 | Manhattan Ocean Club, The Post House, Smith & Wollensky, T.G.I. Friday (1) |
| **Peasant Restaurants** | Atlanta, Ga. | 25.0 | 11 | The Pleasant Peasant (2), Peasant Uptown, Dailey's, Winfield's, Country Place, Public House, Mick's (3), The Park |
| **Restaurants Central** | Monterey, Calif. | 7.5 | 5 | The Sardine Factory, Gold Fork Restaurant, Willie Lum's, The Rogue, San Simeon Restaurant |
| **Restaurants Unlimited** | Seattle, Ore. | 43.0 | 16 | Clinkerdagger's (2), Cutters (2), Hall St. Bar & Grill, Horatio's (2), Morgan's Lakeplace, Ryan's Parkplace, Scott's 205th St. Bar & Grill, Simon & Seafort, Skates, Staley & Seafort's, Triples, Stepps on the Court, Stats |
| **Shooting Stars** | Philadelphia | 25.0 | 5 | Frog, The Commissary, USA Café, City Bites, 16th Street Bar & Grill |

*NRN estimate **Most recent fiscal year

Source: *NRN* research

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## SECOND-TIER CHAINS

# Smaller dinnerhouses rely on local marketing

**By Don Jeffrey**

Many second-tier dinnerhouse chains are enjoying the benefits of being well-known local or regional operations with loyal customer bases, but they are not immune to the sales squeezes being felt by their bigger, nationwide competitors.

In some cases the squeeze is related to poor economic conditions: declines in the oil, timber and manufacturing industries in the Southeast, Northwest and Midwest, for example.

But most operators simply said there are too many restaurants for too few customers.

Those smaller chains, lacking the resources of bigger companies, have to rely on low-budget, localized marketing programs, often community involvement or in-store promotions.

Chains with a high percentage of liquor sales have been hurt, but those that have always emphasized food or have carved themselves a particular niche have managed to withstand the declines in revenue resulting from customer concerns over health and driving while intoxicated.

Most operators agree that hard liquor sales are down, but that is often countered by an increase in beer and, especially, wine sales. There is no consensus yet on the success of mocktails—drinks modeled after cocktails but containing no alcohol.

Recognizing the problem of oversaturation, second-tier chains have adopted a slower-growth policy. All means of financing are being explored, but joint ventures in which investors put up the money and chains put up the expertise are becoming more popular.

As those chains get ready for expansion, they face the problem of attracting and keeping talented people who see better opportunities with bigger companies.

Reports follow on some second-tier dinnerhouse chains.

### Chili's

Chili's, which began as one of the new gourmet burger chains, has since broadened its menu considerably. That has been the reason for its success, observers said. Setting prices below the major chains has helped boost volumes, they added.

Ron McDougall, Chili's executive vice president of marketing and strategic development, said liquor sales have held steady at about 20% of overall revenue. "We're not a watering hole," he said.

The company expects to open about 20 units this year and have 80 operating by June 30. McDougall said he's seeking joint-venture franchisee partners.

**SELECTED SECOND-TIER DINNERHOUSE CHAINS**

| Company | Headquarters | Total Sales** (In Millions) | Number of Units | Food Style/ Key Concept |
|---|---|---|---|---|
| Chili's | Dallas, Tex. | $69.0 | 80 | Gourmet burgers |
| Creative Restaurant Concepts | Seattle, Wash. | 16.0 | 6 | Seafood (Salty's) |
| Cuco's | Metairie, La. | 6.0 | 20 | Mexican |
| Max & Erma's | Columbus, Ohio | 16.4 | 12 | Gourmet burgers |
| Ninfa's | Houston, Tex. | 23.0 | 10 | Mexican |
| Old Spaghetti Warehouse | Dallas, Tex. | 16.0 | 9 | Italian |
| The Palm | New York | 50.0 | 10 | Steaks |
| Pastabilities | Parsippany, N.J. | 1.4 | 1 | Italian |
| Red Robin | Seattle, Wash. | 73.0 | 34 | Gourmet burgers |
| Tony Roma's | Dallas, Tex. | 75.0 | 48 | Ribs |
| Universal Restaurants | Grand Rapids, Mich. | 21.0 | 21 | Steaks (Mr. Steak) |

**Most recent fiscal year

Source: *NRN* research

### Creative Concepts

Seattle-based Creative Concept Restaurants Inc. operates three Salty's seafood places and three other dinnerhouses. Vice president Ben Keylin said it is looking for "10 to 15 super locations," preferably over looking bodies of water, for new Salty's.

Despite some economic problems in Portland, Ore., and Seattle, Salty's is performing well. The newest unit, in a suburb of Seattle, is bringing in an average $100,000 a week, Keylin said.

Liquor sales have not declined, nor have they grown significantly. Customers are ordering less hard liquor, Keylin said, but "wine sales are through the ceiling."

### Cuco's

Cuco's, a 20-unit Mexican dinnerhouse chain, is operating in the oil-depressed state of Louisiana, where many restaurant companies are suffering from low volumes. But president Vincent Luizza said, "We've been bucking the trend so far." Same store sales were up 6% in the fall quarter.

Although liquor sales had been declining, they have been steady lately, in part because of a price increase. Liuzza said Mexican cuisine is well-suited to drinking, but he added that "the biggest peril we face" is liquor-liability laws' impact on customers.

### Max and Erma's

Max and Erma's, which derives nearly 40% of its sales from gourmet burgers, was struck by a 7% decline in same-store sales last year. The trend is turning now—sales are up 2% in the first quarter—but problems still exist for this Midwestern chain.

A January promotion to stimulate trial for a new menu unveiled the month before brought results, but financial vice president Bill Niegsch said the company does not want to resort to couponing and discounting as much as it did a few years ago. However, he said, "You've got to give people a deal to get them out of the house Monday to Thursday in the Midwest."

Liquor sales have been sluggish while wine is "picking up." As for mocktails, Niegsch said, "We see a move in that direction, but I wouldn't call it a substantial move. I just think people are drinking less."

Niegsch says Max and Erma's hopes to concentrate on opening stores in a handful of major markets in the next two to three years.

### Ninfa's

Houston-based Ninfa's, a 10-unit Mexican chain, has successfully weathered the recession brought on by lower oil prices and production. President Roland Laurenzo said other Mexican chains have come into Houston but have failed to make a mark. "We have lower rents and an extremely loyal customer base. They don't get the repeat customers."

Marketing is effected through co-operative ventures with department stores and other local businesses and the public popularity of Laurenzo's mother, the eponymous Ninfa.

The chain's growth is in the hands of McFaddin Ventures, the bar and restaurant operator that recently agreed to guide Ninfa's expansion outside Houston. Laurenzo, who works for McFaddin as well as for the family business in Houston, said McFaddin is looking nationwide for potential Ninfa's sites that can draw traffic at lunch and dinner. Four openings are expected this year

### Old Spaghetti Warehouse

Old Spaghetti Warehouse, a nine-unit Italian-style chain, was one of the top performers among last year's initial public offerings in the industry. Financial vice president Bill Rea said same-store sales are now 14.3% ahead of last year's. Traffic is up 7.2%. He said the sales increases are in part due to better merchandising of desserts and higher-priced entrées.

Liquor sales, which account for about 15% of the total, have not been a problem because, as in many other dinnerhouses, the bar is mainly a holding area for groups waiting for tables, not a destination.

Proceeds from the I.P.O. are still being used for growth, and a franchising program is getting under way. Rea said that one franchised store will open for each new company store from now on.

A problem for small chains like his, Rea believes is "attracting good personnel." He adds, "In our stage of development, the opportunities for managers are not as great as in larger organizations. Other companies can steal them away. So, we pay our management above the industry average."

### Pastabilities

An Italian dinnerhouse concept in a seminal stage of development is one-unit Pastabilities, based in New Jersey.

President William Hart said sales are soft, as compared with last year's, but prospects are good because of an attention to basics and a belief that Italian-style chains are the next big wave.

Pastabilities has introduced a line of low-calorie entrées on its menu, broadening its appeal to the health-conscious. It is also using computerized tallies from customer comment cards to detect problems before they get out of hand.

### Tony Roma's

The barbecued ribs chain Tony Roma's is performing well in most markets. President Ken Reimer said marketing efforts are aided by the chain's having "a particular niche."

After a major restructuring of the company 1½% years ago, Reimer said, a franchising program was set in motion. It is now the major vehicle for expansion.

## INDEPENDENT GROUPS

*(Continued from page F4)*

### New York Restaurant Group

Negotiations with investors to take Manhattan steakhouse Smith & Wollensky across the country have gotten bogged down a bit recently, but New York Restaurant group partner Mike Byrne said that the planned expansion of the restaurant is very much alive. The group expects to close a deal for an S & W in Chicago within a few months and is also looking hard at a site in Columbus, Ohio.

"These deals go very slowly," Byrne said. "But Alan [Stillman] has experience opening [T.G.I.] Friday's across the country. Once we open the first one, the rest should move rapidly."

The group is also in the process of renovating the Manhattan Smith & Wollensky, adding a bakery and laundry as well as pastry kitchen where all desserts will be made.

"We're trying to stay with a modern image of a steakhouse," Byrne said. "Standing still, you fall behind."

### Restaurants Unlimited

In 1985 Seattle-based Restaurants Unlimited crossed the Rockies for the first time in their 15-year history and opened an operation called Stats in Chicago. According to marketing vice president Rick Giboney, two more restaurants in the Midwest will follow in 1986 and 1987: one in Bloomington, Minn., and one in Schaumburg, Ill.

Using their Cutter's concept as a jumping off point, Restaurants Unlimited will continue to adapt restaurants on a city-by-city basis, Giboney explained.

"In certain locations we've observed that customers are ordering full meals—soup, appetizer, entrée—and doing less grazing," explained Nancy Wonsetler, director of advertising and public relations. "In those cases we've changed the menu somewhat to accommodate those customers.

The prototypical Cutter's menu has also been trimmed down from the original 60 or 70 items, to 40 or 50, she said.

## SECOND-TIER CHAINS

# Fast feeders compete by touting differences

**By David Zuckerman**

Increasing dominance of the fast-food marketplace by such industry giants as McDonald's, Burger King, Wendy's KFC, Pizza Hut and Taco Bell—to name a few—-now threatens the very survival of many smaller chains, especially those going head-to-head with the leaders.

But while a shakeout of sorts is already in progress, a host of second-tier fast feeders are bucking the odds. The most successful strategies, it appears, are to establish clear-cut points of difference from larger competitors in the areas of concept, products and price-value or to stake out a strong presence in a limited geographic area.

"On a nationwide basis, it's getting very difficult to compete against the major chains," noted Joe Fraedrick, director of marketing for Eugene, Ore.-based Taco Time International. "The McDLTs, the Herbs and the Taco Bells are coming on stronger than ever."

Adding to the dilemma of second-tier fast feeders are the less than ideal economic conditions in several regions of the country—the Southeast, the Southwest and the Midwest, for example—a general oversupply of restaurants, and a shortage of discretionary income among consumers.

"Our 1985 wasn't anything to write home about," said Walter Bagot, senior vice president of marketing for the Bloomington, Ind.-based Noble Roman's Pizza chain. "We were hurt by heavy competition and a tough economy in the Midwest."

In the ongoing battle for market share, perhaps the fiercest competition is in the hamburger segment where the so-called Big Three (McDonald's, Burger King and Wendy's) have inundated the national consciousness with an unprecedented marketing barrage in recent years.

"The business environment has been extremely tough, and the big chains are making it that much tougher," said Richard Reese, chief executive of Birmingham, Ala.-based Jack's Hamburgers. "We've managed to hold up about flat in sales, which is more than a lot of chains can say."

Meanwhile, in the fledgling "gourmet" hamburger segment—once touted as the hottest new idea in years—such chains as Chili's and Flakey Jake's have begun to abandon ship in favor of broader-based concepts that are less reliant on the hamburger. San Antonio-based Fuddruckers, on the other hand, has opted to stick it out and is now the dominant chain in the segment.

"The biggest thing we did in 1985," noted Fuddruckers chairman and chief executive William H. Baumhauer, "was that we stayed with our burger-oriented menu and self-service format while others panicked or became disappointed."

Sandwich chains, such as Austin, Tex.-based Schlotzsky's and Milford, Conn.-based Subway, have proven to be among the most resilient in a difficult marketplace. Low start-up costs, the ability to set up shop virtually anywhere—from cities to small towns to shopping mall food courts—and a product that does not compete directly with burgers, chicken or pizza are the strongest factors.

Still to be determined is the viability of the Chinese fast-food area—now occupied by such neophyte contenders as Westmont, Ill.-based Xian and Burger King's Texas-based Quik Wok—and a growing baked-goods segment that includes Kansas City-based T. J. Cinnamons.

Here is a look at how some selected second-tier fast feeders are positioned for the coming year.

### Fatburger

A local institution in the Los Angeles area for more than 30 years, the 30-unit privately held Fatburger chain is poised to expand outside of its native region for the first time ever this year. Stores are planned for Fresno, San Diego and Orange County in California plus Ann Arbor, Mich., and New York City, according to general operations supervisor Bill Baumgardner.

With a menu that includes hamburgers, chili, hotdogs and a few other items, Fatburger has apparently held its own against the fast-food burger giants on the strength of its quality products and staunchly nonmechanized operations system. Hamburgers are still hand-pressed, no frozen products are used and the original recipes of founder Lovie Yancey are still apparent.

"Fatburger is the type of place where you can go and get a burger like you could 30 years ago," Baumgardner said. "It's the last great hamburger stand, a one-on-one concept where all grills are in plain sight of the customer and nothing is performed or prepackaged. It's not a sit-down-type restaurant like a McDonald's."

### Fuddruckers

Having outlasted its primary competition in the "gourmet" hamburger segment, Fuddruckers is looking to become profitable this year.

Fueling optimism are a new set of price points—the average per-person ticket was $5.44 in 1984, $4.92 in 1985 and will drop down as low as $4.50 this year, according to chief executive William H. Baumhauer—and some product additions that have helped broaden the chain's customer base.

A ⅓-lb. hamburger has replaced the ½-lb. burger as Fuddruckers' most popular menu item, while a taco salad and chicken sandwich have attracted more women and children. The customer base has turned from strictly male to family-oriented.

With the addition of about 60 new stores this year, Fuddruckers expects to increase its marketing clout substantially. Possible menu additions include some new salad items in the areas of chicken and fish—"not a salad bar"—and perhaps an expanded line of bakery goods, Baumhauer indicated.

### Jack's Hamburgers

Having recently rolled out a new line of ⅓-lb. hamburgers to help distinguish itself from the major national burger chains, this 25-year-old, privately held regional chain continues to

*(See **FAST FEEDERS**, page F14)*

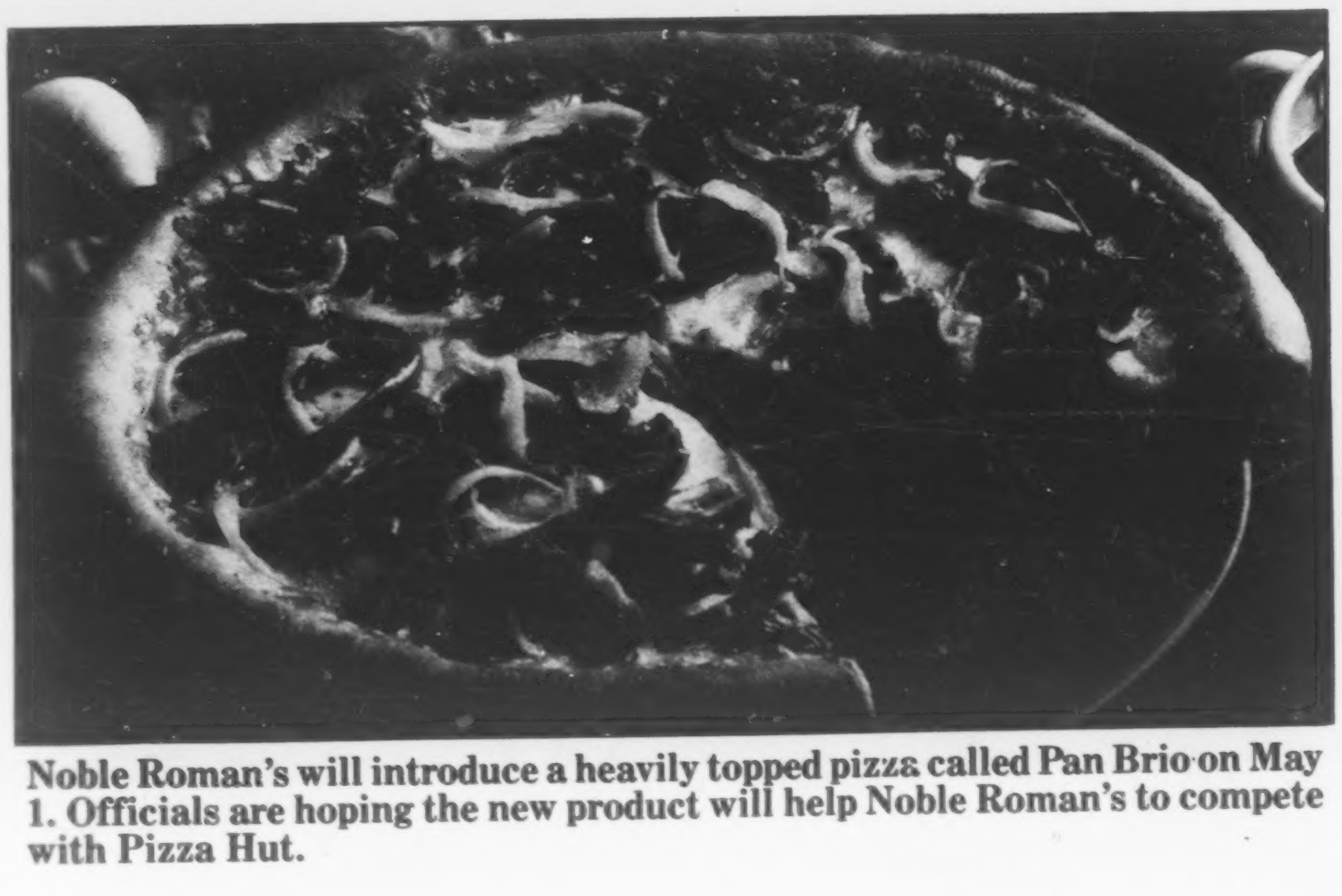
**A new store design for Schlotzsky's has added a soup and salad bar to all units. The company has also stepped up food merchandising.**

**SELECTED SECOND-TIER FAST FOOD CHAINS**

| Chain | Headquarters | Total Sales** (In Millions) | Number of Units | Key Food Items |
|---|---|---|---|---|
| **Fatburger** | Los Angeles | N.A. | 30 | Hamburgers, hotdogs, chili |
| **Fuddruckers** | San Antonio | $101.0 | 102 | Hamburgers |
| **Hooker's Hamburgers** | Nashville | 0.8* | 1 | Hamburgers |
| **In-N-Out Burger** | Baldwin Park, Calif. | 27.0* | 38 | Hamburgers |
| **Jack's** | Birmingham, Ala. | 50.0 | 100 | Burgers, chicken, breakfast |
| **Ken's** | Tulsa, Okla. | 125.0 | 270 | Pizza |
| **Mrs. Winners** | Nashville | 120.0* | 176 | Chicken |
| **Noble Roman's** | Bloomington, Ind. | 45.0 | 127 | Pizza |
| **Schlotzsky's** | Austin, Tex. | 45.0 | 180 | Sandwiches |
| **Subway** | Milford, Conn. | 100.0 | 100 | Sandwiches |
| **Taco Time** | Eugene, Ore. | 80.0 | 237 | Mexican |
| **T. J. Cinnamons** | Kansas City, Mo. | N.A. | 4 | Cinnamon rolls |
| **Xian** | Westmont, Ill. | N.A. | 3 | Chinese |

**NRN* Estimate **Most recent fiscal year

Source: *NRN* research



**Noble Roman's will introduce a heavily topped pizza called Pan Brio on May 1. Officials are hoping the new product will help Noble Roman's to compete with Pizza Hut.**

## SECOND-TIER CHAINS

# *Flexibility keeps coffee shop chains competitive*

**By Richard Martin**

Regional family restaurants are counting on decor and menu upgrades and their ability to respond more quickly to changing market conditions to keep them competitive with larger counterparts in the Top 100.

In recent years the consolidation of weaker regional chains into the Denny's and the Big Boys of the segment has thinned the second-tier ranks. But some resilient, smaller coffee shop and family restaurant companies continue to exploit what advantages they can muster to fend off those giants and battle the economic slump affecting most contenders, regardless of size.

Some second-tier chains see improved food and atmosphere as their biggest opportunities for continuing viability.

In California such chains as Lyon's and Spire's are offering greater numbers of fresh items to build or maintain traffic and distinguish their concepts from the coffee shop mainstream.

### Spire's

"We've always had the fresh product, but it's never been more important than now," said Patricia Escalera, Spire's assistant marketing director and daughter of the company's founder, John Haretakis.

And Spire's, a 25-unit chain based in Orange, Calif., is also adding solarium extensions and other decor refinements to increase its appeal. "We're not trying to look like a dinnerhouse, but we are making the transformation from a coffee shop to a family restaurant," Escalera explained.

Five such Spire's remodels have been completed, and at least five more are planned, in hopes of boosting the current $1.3 million per-store sales average by 15%. In addition, the chain reports a recent 15% to 20% increase in customer traffic during promotions of a newly revamped menu, which includes a "health corner" for heart and diabetes patients.

Last October Spire's rolled out three fresh fish items priced from $4.45 to $7.25. The chain is now testing a steamed fresh vegetable platter in three stores.

Concerned that it might still be compared with the major national coffee shop chains that connote institutional plasticity in the minds of many consumers, Spire's has also added a list of upscaled appetizers and "gourmet" desserts. The appetizers include a seafood cocktail ($2.95); breaded, deep-fried zucchini ($1.55); and fried mushrooms ($1.65). The chain is also testing

*(See **COFFEE SHOPS,** page F16)*

***SELECTED SECOND-TIER COFFEE SHOPS***

| Chain | Headquarters | Total Sales** (Millions) | Number of Units | Key Menu Items |
|---|---|---|---|---|
| **Bill Knapp's** | Battle Creek, Mich. | $58.0 | 60 | Fried chicken, steakburgers, blackened fresh sole, tenderloin steaks |
| **Lyon's** | Foster City, Calif. | 83.0 | 59 | Prime rib, liver & onions, Mexican and Italian items, fresh fish |
| **Spire's** | Orange, Calif. | 33.0 | 25 | Fresh fish and vegetables, dinnerhouse-style appetizers and desserts |

**NRN* estimate **Most recent fiscal year

Source: *NRN* research

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## *FAST FEEDERS*

### 'On a national basis, it's getting very difficult to compete against the major chains.'

*(Continued from page F13)*

struggle against strong competition and some dismal economic prospects in the Southeast.

Catering largely to a blue-collar audience, Jack's has turned to price-value with a new 99¢ breakfast special that includes two eggs, bacon, grits and a buttermilk biscuit. Breakfast sales are running as high as 22% of total since the rollout—up from about 17% to 18%—according to chief executive Richard Reese.

"We believe there's a strong market for 99¢ specials," Reese said. "We're now trying to come up with some others, perhaps something with our fried chicken." He added that the chain's spicy fried chicken accounts for about 20% of total sales.

While there have been some buyout offers, Reese said, the chain has no intention of selling out. "I believe there continues to be a place for small regional chains like Jack's," he said. "I think we can continue to compete."

### Ken's Restaurant Systems

Situated in the heavily oil-dependent Southwest, privately held Ken's has continued to gain market share, according to senior vice president of corporate development Jerry Dotson, despite a difficult economy and stepped up competition in the pizza segment from the likes of Pizza Hut, Godfather's and Domino's.

Relying on its strong regional identity, the company operates under four names. Ken's and Mazzio's are both full-service pizza concepts. Ken's Pizza By The Slice units service local shopping mall food courts. And Scooter's, the company's newest concept, specializes in pizza delivery. Some Scooter's units also deliver chicken.

"Between our Ken's and Mazzio's units, we have a larger market share in our region that Pizza Hut, which is by far our stiffest competition," Dotson said. "We're still building new stores, and our average store sales are on the rise." The company operates principally in Texas, Oklahoma, Missouri and Arkansas.

### Noble Roman's

Coming off a difficult year, Noble Roman's has recently rolled out a new individual lunchtime pizza called Pan One that is "having a significant impact on lunchtime sales," according to senior marketing vice president Walter Bagot. Lunch sales are up 10% to 15% since the rollout, he said.

Stepped up advertising and another new product—a heavily topped pizza with a thick crust called Pan Brio—are being counted on to bolster Noble Roman's against increasingly stiff competition from Pizza Hut. Pan Brio will be rolled out systemwide May 1, according to Bagot.

"We feel that we've done a less-than-effective job of communicating our superior products to the public," Bagot said. We will improve on that this year with our new advertising plus our sensational new pizza." The company recently named a new advertising agency, Chicago-based Dawson, Johns & Black.

### Schlotzsky's

With its signature sandwich, low start-up costs and ease of operation, Schlotzsky's offers the kind of return on investment that is getting more and more difficult to find in the fast-food arena. A franchisee can open for as little as $100,000, according to company president John Wooley, who bought the chain in 1981.

A new store design—"that has the look of a contempory deli"—the addition of soup and salad bars to all units and stepped-up food merchandising have pushed average store sales at newer units as high as $350,000 annually, Wooley said. That compares with an average of $180,000 just a few years ago.

The mostly franchised Schlotzsky's plans to add about 40 stores this year and may target new markets in Boston, Charlotte, N.C., and Florida, according to Wooley. Carl Martinez—formerly with Rax and El Torito—has joined the company as senior vice president of marketing and franchise development.

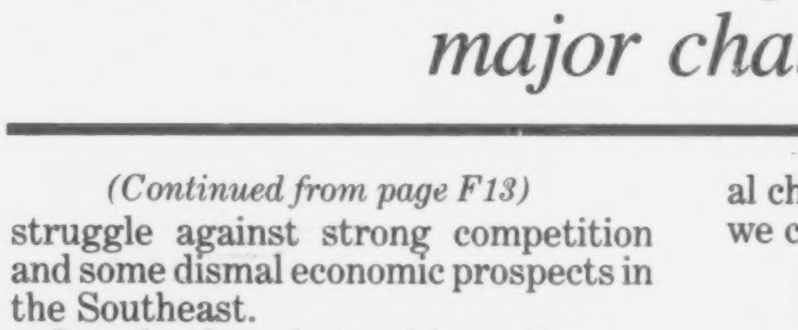
### Taco Time

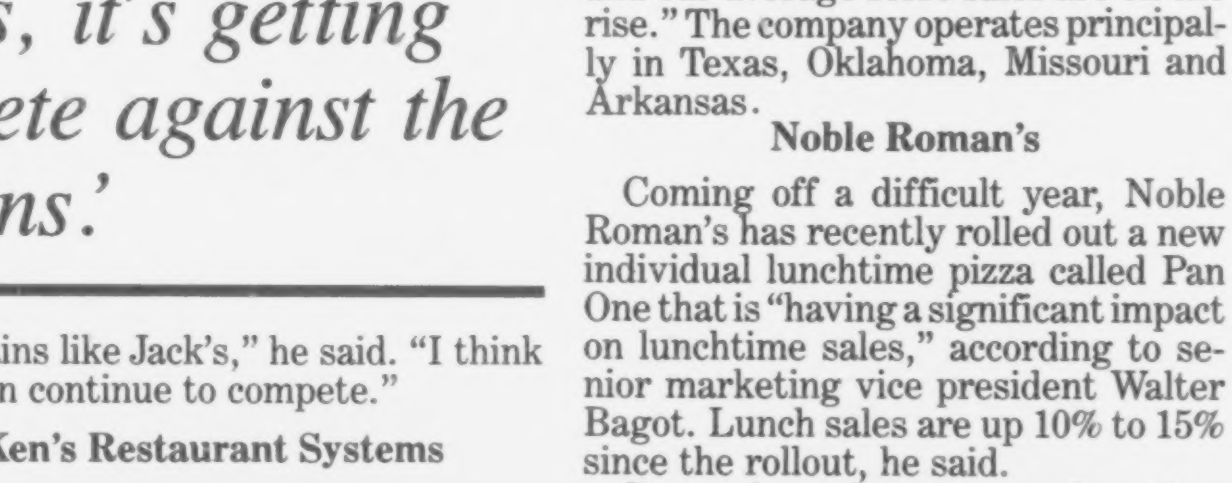
Based in the economically depressed Pacific Northwest, the privately held Taco Time registered year-to-year sales gains of 10% to 15%, according to director of marketing Joe Fraedrick. Two new products—a chimichanga (a deep-fried beef burrito) and Nuggets Ole (chicken nuggets)—played a strong role, as did a new "Taco under Glass" unit design.

To help combat superior marketing muscle of national chains such as PepsiCo's Taco Bell, Taco Time has formed a national advertising co-op with its franchisees. A new advertising tag line—"Taco Time: Taste the Real Difference"—is being used to position the chain as serving fresher and more healthful products than those of the competition, Fraedrick said.

"We don't have the big strong ad dollars," he added. "Our only hope is to position ourselves and produce ad materials that show a strong point of difference from the competition. We've established a fresh, healthy position, and the chain is successful because we have maintained that stand."

Taco Time recently opened its first three units in California.

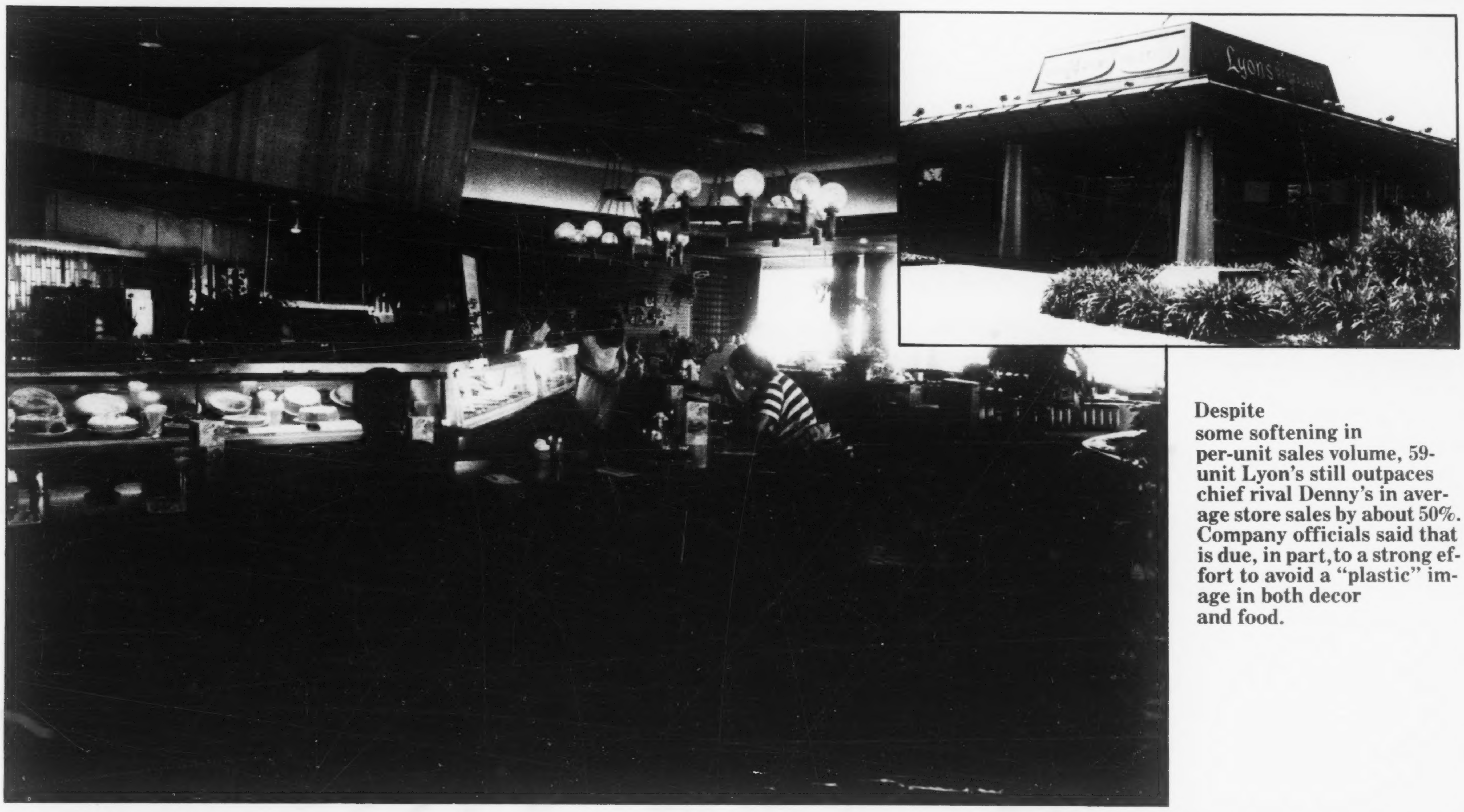




**Hooker's Hamburgers, left, plans to have 40 units open by mid-1987. Taco Time, right, has introduced two new products and a new unit design to bolster year- to-year sales gains.**

# FOCUS | NRN

## SECOND-TIER CHAINS



**Despite some softening in per-unit sales volume, 59-unit Lyon's still outpaces chief rival Denny's in average store sales by about 50%. Company officials said that is due, in part, to a strong effort to avoid a "plastic" image in both decor and food.**

## *COFFEE SHOP FLEXIBILITY*

### *'Some chains see improved food and atmosphere as their biggest opportunities for continuing viability.'*

*(Continued from page F14)*

breaded, fried mozzarella ($1.65) and a sauce-and-meat filled "pizza stick" ($1.55)

New desserts include chocolate mousse pies and cheese cakes that are merchandised on a dessert tray.

In Spire's repositioning and marketing strategies, "Basically, we're hitting hard on our freshness," Escalera said. "Another thing that helps us is the single owner [her father] who can simplify the decision-making process."

### Lyon's

Although 59-unit Lyon's Restaurant is owned by Sara Lee Corp., it remains unpressured to grow at a pace that would put at risk its ability to maintain high quality standards, the chain's leaders said.

But competition in the second tier of the family segment means that Foster City, Calif.-based Lyon's must remain alert to attack concepts outside its market position as well as from similar chains that are likewise vulnerable to the incursions of outsiders.

"Denny's has been eaten up by fast feeders at breakfast," asserted Lyon's marketing vice president Bob Fraser. However, up-market operations can also pose a peril to coffee shops, Fraser said. "What is T.G.I. Friday's if not an upscale coffee shop?—except it's not open 24 hours," he asked.

Lyon's, which has grown from 55 to 59 outlets in less than a year, posted sales of $83 million in 1985, with profits of between $5 million and $6 million. Based on the chain's reported $1.6 million per-store average the year before, its sales per restaurant have thus declined in the face of industrywide soft sales.

Yet the chain still outpaces rival Denny's in average store sales by about 50%—in part, the company said, because of a strong effort to avoid a "plastic" image in both decor and food.

The rollout of fresh fish entrées in 1984 helped that effort. And getting a head start on Denny's recent upgrades, Lyon's upped its image and broadened its market years ago with prime rib, boneless chicken breasts and other refinements. Top menu prices are now about $10 for a four-course meal. More moderate prices on such traditional coffee shop fare as sandwiches, salads, burgers and breakfasts help the chain retain a downscale clientele.

### Bill Knapp's

Keeping tabs on the dining tendencies of one's target customers has become increasingly problematic, some second-tier operators claim. "The average consumer jumps too fast from one thing to another," lamented Jerry Hill, president of the 37-year-old Bill Knapp's chain, based in Battle Creek, Mich.

Hill's 60-unit chain—closely held and never franchised—endured 1% declines in customer traffic and real sales last year but raised menu prices enough to post an overall gain over 1984's estimated $55 million in total sales. The chain has fared better than some of its counterparts and has earned the respect, interest and admiration of the top brass of such national players as Denny's.

Disinflation, particularly in anticipated salary increases and thus disposable income, is the chief culprit behind the soft sales that have plagued most of the industry in the past year, Hill believes.

However, his chain remains relatively strong because of the efficiencies of vertical integration and the way it has concentrated on meeting the needs and expectations of three generations of Midwestern customers.

Bill Knapp's regards itself as the "top of the family segment," according to Hill, who sees a unique niche somewhere between the family and full-service dinnerhouse segments as the chain's true stomping grounds.

Operating between 11 a.m. and 10 p.m. and serving no alcohol, Bill Knapp's attracts mostly business people and professionals for lunch (when entrées run between $4.95 and $6.95) and seniors and "established families" for dinner (when main courses run $5.95 to $9.95). Inside the 230-seat New England-style "town meeting hall" restaurants, topped with cupolas, guests favor Southern fried chicken, made-from-scratch soups, sandwiches, steakburgers, fresh fish, tenderloin steaks (the single biggest-selling item) and even such newfangled dishes as Cajun blackened steak and blackened sole.

Baked goods come from the company's own central bakery. In fact, with three other company-owned food-processing plants, "We do everything ourselves—the only delivery we ever take is from our own truck," Hill said.

Bill Knapp's even does its own laundry and builds all its own freestanding restaurants, including four opened in the last year in the new expansion market of Florida (adding to the chain's 32 in Michigan, 17 in Ohio, 5 in the Chicago area and 2 in Indiana).

The momentum of customer loyalty that developed since the late Bill Knapp opened his first restaurant in 1948 came in part, Hill said, from the chains' representation of "traditional values" and such innovative customer considerations as its voluntary pioneering of no-smoking areas in 1974.

However, given the more competitive nature of modern food service, including the larger chains' consolidation of marketing strengths and store distribution, and the ongoing evolution and sophistication of customer preferences, Hill said, "I'm not sure whether even we would be able to make it if we were just starting out today."

Hill, a 27-year veteran of Bill Knapp's, nonetheless believes the smaller, second-tier coffee shops and family restaurants retain distinct advantages over their larger, nationally distributed counterparts. Operators of the regional chains are "closer to their business and can make adjustments quicker," Hill noted.

In terms of marketing, the bigger chains can continue to outspend their smaller competitors, he acknowledged. But Hill takes heart in what may be another advantage that second-tier operators enjoy: given the crowding of markets and the often undecipherable, mercurial spending patterns of consumers, the big chains may be spending their marketing budgets with "a lot less efficiency" than in years gone by, he said.

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## SECOND-TIER CHAINS

# Small cafeterias conservative in growth plans

**By Mark Schoifet**

Second-tier cafeteria chains tend to be family-run operations that carved out regional niches ages ago.

Among the family dynasties controlling small cafeteria chains are the Clintons in Los Angeles (Clifton's), the Popes in St. Louis, the Laughners and McGaugheys (MCL) in Indianapolis, the Johnsons in Louisville (Blue Boar) and the Albrittons in Houston.

These family-run outfits appear to be more conservative in growth plans than their Top 100 counterparts, perhaps because private ownership often precludes large-scale financing for expansion. Those who choose significant growth, such as the Sbarro family in New York, often do so with funds raised by a public offering of stock. Many second-tier operators who choose to remain small believe their size is an advantage and have no desire to become the next Luby's or Furr's, two of the largest cafeteria chains.

"The smaller companies are going to be the ones that are going to survive because there is control at the local level," said Michael Gadell, president and chief executive of Pope's, a six-unit cafeteria chain founded by Harry A. Pope Sr. in 1933. "There is much closer contact with the customers and the employees."

Randy Bennett, general manager of the three-unit Albritton's chain in Houston, agrees that bigger is not necessarily better in the world of cafeteria feeding.

"Luby's is everywhere—they've made a big push into Houston," said Bennett. "But we feel we have an advantage. We believe we can update our menu and make changes a lot quicker than the large corporations. And we feel our service is more personalized."

Still, the smaller players are no match for Luby's or Morrison's when it comes to training, and cost control is more difficult to maintain when one buys food in less bulk than one's competitors do. Moreover, the impact of skyrocketing real-estate prices is greater at the second-tier level. And it hits cafeteria chains harder because they need more space than most other restaurant concepts.

"We find the cafeteria segment to be harder and more difficult than it's ever been. Leasing space has become increasingly expensive," Gadell said. "There is no single more efficient way to feed people than a cafeteria. But it is labor intensive. The biggest problem is finding the right number of employees. You need 30 to 50 people to open a cafeteria. And they have to learn how to carve, how to bake, to cook, to cut pies. In fast food, you're responsible for maybe 15 or 18 items. At a cafeteria it can be as high as 500."

Despite the stumbling blocks, however, cafeterias appear headed for a strong 1986, even if the economy takes a nosedive, according to analyst Bert Seltzberg of Smith Barney. Cafeterias, Seltzberg explained, are less vulnerable to recessionary influences than are other restaurant concepts. One reason is the price-value perception, the key selling point for a cafeteria. Most chains average about $4 per check, not much higher than a fast-food outlet and with considerably more variety on the menu.

"People generally don't trade down from cafeterias," Seltzberg said. "A family of four can spend almost the same amount at a Burger King or McDonald's as they would at a cafeteria. But at a cafeteria at least they are getting nutritious food."

Following are reports on some of the second-tier cafeteria chains:

### International King's Table

One of the largest cafeteria chains in the second tier, 79-unit International King's Table, a publicly held company, is nearing completion of a successful five-year turnaround. The fixed-price buffet chain is expected to post 20% sales and earnings gains in fiscal 1987, according to one investment house.

After a $1 million loss in 1981, Oregon-based King's Table closed several marginal units, cut expansion, and targeted the senior citizens market with a discount program and embarked on an ambitious remodeling program.

King's Table has toned down its expansion plans after the problems in the early 1980's. The chain is scheduled to open 10 stores between January of this year and the end of June.

### Sbarro

Sbarro, based in Melville, N.Y., is a chain of 138 restaurants serving pizza and other Italian dishes, primarily in shopping malls. The publicly held company operates 86 outlets and franchises the other 52 units. More than half of the company units are located in food courts, with average checks of $2.50 and average unit volumes of $357,000. The larger, cafeteria-style restaurants average $545,000 in sales a year.

Since going public last year, Sbarro has taken several steps to prepare for its planned rapid expansion. In the past three months the chain has added directors of training, human resources and real estate. Sbarro plans to open 40 new stores in 1986.

### Old Country Buffet

Another publicly held chain, Buffets Inc., which operates 12 Old Country Buffet fixed-price restaurants, is planning to open at least eight new restaurants in 1986. The Wayzata, Minn.-based chain offers a wide variety of items for fixed prices ranging between $3.75 and $4.19 for lunches and Sunday breakfasts and between $4.95 and $5.19 for dinner. Typical dinner entrée selections include chicken, carved roast beef and ham and two or three other hot entrées, such as casseroles, shrimp and oysters.

A typical Old Country Buffet restaurant serves 8,000 customers per week. Labor costs run at about 23% for between 60 to 70 employees per unit.

### Cambridge Inn

Formerly part of Indiana-based Danners Inc., a discount-store chain, Cambridge Inn's 12 cafeterias were purchased last year by a group headed by I. Wayne Brewer, formerly vice president and general manager of Danner's restaurant group. The chain, whose units are located in smaller markets, plans to keep a low growth profile and stick to basic, down-home cafeteria food. A few years ago Cambridge Inn made an ill-fated attempt at expanding its customer base by adding croissants, baked potatoes, barbecued items and other new selections.

"Our future growth will come from our ability to go into smaller markets," Brewer said. "We're going to stay away from large metropolitan cities. We feel we can make our margins in smaller markets for less money. Why should we bang our head against the wall? If we can make our margins at $700,000, why go for $2 million?"

Cambridge Inn unit volumes range from $700,000 to about $1.5 million.

### Holiday House

Based in DeLand, Fla., Holiday House operates 13 cafeteria hybrids in the central part of the Sunshine State. Formerly owned by the Cook family, Holiday House was purchased in 1984 by Ronan Gaynor, an international banker, and Jimmy Woods, formerly of Hen House. The chain is considering the possibility of a public offering to finance future expansion.

Holiday House customers pay a fixed price of $4.55 for lunch and $5.75 for dinner, not including dessert and extra beverage. When a customer enters the restaurant, he or she prepares a salad from the salad bar and then hands the plate to a waitress or waiter. The employee then brings the salad to a table, and seats the customer. After an order is placed, the customer proceeds to a buffet table and chooses one entrée from among a selection including carved lamb, roast beef, turkey and ham. The server also brings garlic bread to the table.

Holiday House uses a central commissary and ages its own beef on premises. The chain is starting to do more advertising.

Sales last year hit $11 million.

### Cafe Casino

This unique chain serves French food in a cafeteria setting. Owned by a French supermarket conglomerate, 11-unit Cafe Casino topped $20 million in sales last year on average checks of $4.50. Among the many specialties offered is beef bourguignon.

"We're not high-class French food," a chain spokesman said. "It's more like provincial French food, the kind of food people in France eat at home."

Based in Santa Monica, Calif., Cafe Casino operates in California, Arizona and Washington.

### SELECTED SECOND-TIER CAFETERIA CHAINS

| Chain | Headquarters | Total Sales** (In Millions) | Number of Units | Food Style/ Key Item |
|---|---|---|---|---|
| **Albritton's** | Houston | $ 4.5 | 3 | Okra and tomato broiled chicken |
| **Blue Boar (B & W, Britling)** | Louisville, Ky. | N.A. | 11 | American |
| **Cafe Casino** | Santa Monica, Calif. | 20.0 | 11 | French, Continental |
| **Cambridge Inn** | Indianapolis | 9.5 | 12 | American |
| **Clifton's** | Los Angeles | 17.0 | 6 | American |
| **Holiday House** | DeLand, Fla. | 11.0 | 13 | American |
| **International King's Table** | Eugene, Ore. | 80.7 | 79 | American |
| **Laughner's** | Indianapolis | 11.0* | 8 | American |
| **MCL Cafeterias** | Indianapolis | 40.0 | 27 | American |
| **Old Country Buffet** | Wayzata, Minn. | 13.5 | 12 | American |
| **Pope's** | St. Louis | 6.0 | 6 | American |
| **Sbarro** | Melville, N.Y. | 40.0 | 138 | Italian |

**NRN* estimate  **Most recent fiscal year

Source: *NRN* research

**Sbarro is a chain of restaurants serving pizza and other Italian dishes. More than half of the company units are located in food courts in shopping malls.**

## SECOND-TIER CHAINS

# Hotel operators compete by adding restaurants

By Peter Romeo

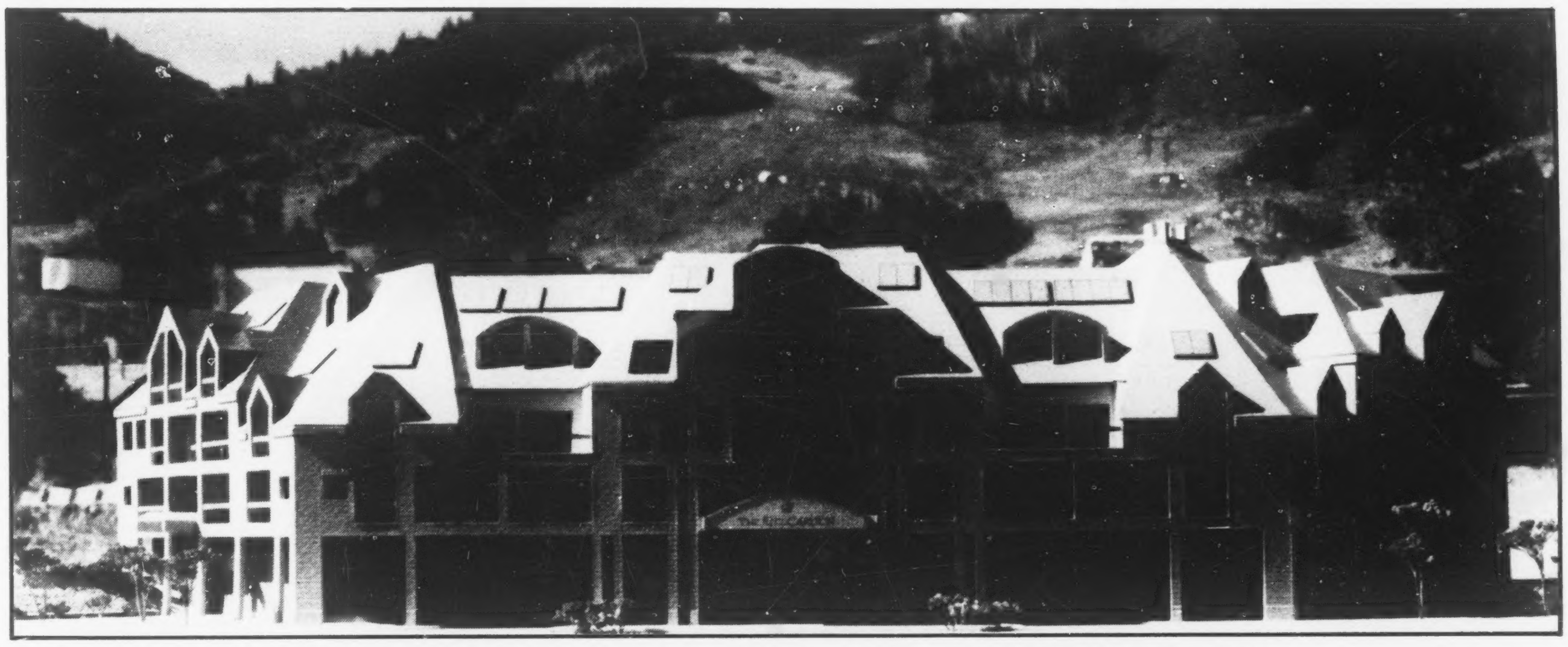
Despite an overall softness in the lodging industry, second-tier hotel chains say they are faring as well as the "Big guys," if not better, in part because of their locally oriented food and beverage outlets.

The second-tier contenders claim they are blunting the marketing might of the big national chains by setting up restaurants and lounges that are popular among residents of the markets served by their hotels.

"If you call secretaries in West Palm Beach and ask them where to stay, they'll probably say the Royce because they eat in the restaurant and visit the lounge," said Stephen L. Selka, president of the three-property Royce Hotels chain. "Eighty per cent of our business is generated through local referrals."

"Strong community-oriented restaurants and lounges add seven or eight points to our occupancy rates," commented James N. Schmidt, president of 15-property Doubletree Hotels. Schmidt said Doubletree's chainwide occupancy rate was 71% last year, up a point from 1984 levels. The industrywide average was 65.5% in 1985, down 1.4 points, according to the accounting firm Laventhol & Horwath.

Marriott, Sheraton and other lodging powerhouses said they have been using their hotel restaurants as local marketing tools and image enhancers for years. But second-tier players point out that because they operate in fewer markets, they can more intimately learn the dining tastes of each and skew their restaurants accordingly.



Construction is scheduled to begin later this year on a Ritz-Carlton resort, above, in Aspen, Colo.

"And we can react more quickly [to changing market conditions] than those chains with incredible bureaucracy and red tape," Schmidt said. "When we talk food and beverage, we don't talk about rubber-stamp pressure."

Because few second-tier chains franchise, most are growing more slowly than the big national systems, allowing more time to brainstorm a restaurant concept.

"We don't knock them out like cookie-cutters," commented John Fleming, vice president of food and beverage for Doubletree.

The second-tier chains say they also benefit from the big guy's size because of the inconsistency in quality it breeds, leaving many travelers disillusioned with the nationally known brands.

"The major differences between us and the big guys is that we can lure in business the first time because we haven't disappointed [guests] so many previous times," said Royce's Selka. "The ability of the estabished brands to draw in business has been diminishing."

But the strength of an up-and-coming chain usually makes them prime acquisition targets for the big national hotel concerns, as the second-tier players contacted for this article attested.

"The big guys have sniffed around a long time. There's a real attraction in having a company called Guest Quarters," said Michael Dickens, president of the nine-property all-suites company. "It's something you have to contend with."

Most of the second-tier contenders said they have maintained their independence either because they are privately held or have allowed themselves to be "allied" with large financial companies content with owning rather than operating hotels.

Last year, for instance, Red Lion Inns, the 52-property regional Northwestern chain based in Vancouver, Wash., was bought into by an investors group put together by Kolberg Kravis Roberts, a New York investment house, and the Oregon and Washington Pension Funds.

This year, Southmark, a financial services and real-estate concern, bought a 49% stake in Servico, the parent of Royce Hotels.

"It is reasonable to expect Guest Quarters to ally themselves with a major source of capital at some point in the future," Dickens commented.

What follows is a report of second-tier hotel chains, their near- and long-term expansion strategies and the types of food and beverage outlets they operate.

### (Compri)

This midmarket chain recently started up by Doubletree now consists of five company-owned properties. Doubletree is looking to add 30 more, in part by franchising.

Food service for the (Compri) concept is limited to a complimentary cooked-to-order breakfast and fresh-carved sandwiches offered during a complimentary cocktail hour. Both services are provided in the Compri Club, a public area designed to serve as a combination living room, reading room and lounge.

Savings from the use of limited food service allows the chain to offer better-appointed guest rooms at a moderate price, according to chain executives.

### Clarion Collection

This 19-property upper-midmarket franchise chain, one of two recently started up by the hotel management company AIRCOA, stands to grow quickly nationwide because of its parent's decision to go public. Proceeds from the offering will be used to build new Clarions or convert existing hotels to the brand.

The chain has a mixed bag of foodservice concepts, ranging fine-dining outlets, like The Palace Arms at the Brown Palace hotel in Denver, to the casual Norton's Bar & Grill, an all-day outlet at the Clarion/San Francisco Airport.

Two new Clarions are currently under development.

### Doubletree Hotels

This 17-year-old chain has thrived since it was converted from a midmarket group to a contender at the top end of the lodging spectrum, said president James N. Schmidt and vice president of food and beverage John Fleming, who both cite the chain's restaurants as a major reason.

Fleming said he tries to match each property's restaurant to its local environment. The results are outlets ranging from one that features a combination of Chinese, French and American cuisine "à la Puck's Chinois-on-Main," at the Santa Clara, Calif., property, to a restaurant in Houston that caters only to guests serving grilled American specialties, salads and sandwiches, Fleming said. "I can't think of one that didn't make money in '85. He projected the chain's 1986 food and beverage revenues at $60 million.

Doubletree has about 20 development deals in the works and plans to have at least 30 hotels open by 1990, Schmidt said.

### Guest Quarters

This nine property chain was not only one of the pioneers of the all-suites

(See **HOTEL**, page F31)

## SELECTED SECOND-TIER HOTEL CHAINS

| Chain | Headquarters | Number of Hotels | Total Sales** (In Millions) | Types of Restaurants |
|---|---|---|---|---|
| **Clarion Collection** | Englewood, Colo. | 19 | N.A. | Fine-dining outlets, casual all-day grills and alfresco outlets |
| **Doubletree Inc.** (Compri) | Phoenix, Ariz. | 5 | $120 | Compri Club, serving complimentary breakfast, cocktail hour; Carvery, serving sandwiches |
| Doubletree Hotels | | 15 | | Variety of outlets featuring American, Continental and ethnic cuisines |
| **Guest Quarters** | Washington, D.C. | 9 | 50 | Single all-day outlet |
| **Red Lion Inns** | Vancouver, Wash. | 52 | 287* | Maxi's, fine-dining outlet;<br>Misti's, upscale outlet with emphasis on price/value |
| **Ritz-Carlston** | Atlanta, Ga. | 5 | 100 | Fine-dining outlets |
| **Rosewood Hotels** | Dallas, Tex. | 5 | N.A. | Fine-dining outlets featuring regional American cuisine |
| **Royce Hotels** | West Palm Beach, Fla. | 3 | N.A. | Variety of fine-dining and casual outlets |
| **Wyndham Hotels** | Dallas, Tex. | 18 | N.A. | Variety of fine-dining and casual outlets |

*NRN estimate **Most recent fiscal year

Source: *NRN* research

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## SECOND-TIER CHAINS

# Beefed-up marketing propels contract feeders

By Alan Liddle

Sophisticated operations and marketing as well as aggressive expansion plans that include acquisition strategies are on the rise in contract food service's second tier.

If stretched to include companies doing between $10 million and $130 million a year in sales, the second-tier category encompasses dozens of firms nationwide.

As with their larger counterparts, second-tier contract feeders are also of growing interest to foreign companies.

Two of the largest, Food Concepts Inc., of Rutherford, N.J., and The Wood Company, of Allentown, Pa., were acquired by foreign interests within the last three years.

The 49-year-old Wood Co., which contracts primarily with health-care providers, was acquired in December 1984 by the U.S. division of a London-based company owned by Albert Abela.

Food Concepts Inc., which deals mostly with business and industry, reported annual sales of about $25 million before it was acquired by Pritchard Services of London in 1983. Pritchard placed its Crothall Food Service under Food Concepts, which later acquired Automatic Catering. The company projects 1986 sales of $100 million from 248 accounts (sites), as compared with 1985 sales of $74 million from 210 accounts.

Other second-tier companies with double-digit growth rates include:

- Daka Inc., of Wakefield, Mass., which did in excess of $100 million in contract food-service sales in 1985 and projects at least a 10% increase in 1986. Accounts are up to 300 from 270 in 1985.
- Southern Cafeteria Co., of Alabama, which saw sales increase by about 16% to $34 million in 1985, while increasing its account total by about 8%, to 70.
- Corporate Food Services Inc., of New York, a white-collar employee feeder with 41 contracts and sales of $28 million to $30 million. At this time last year the company reported 30 contracts and sales of $20 million.
- Cleaves Food Services Corp., of Fairfax, Va., and Atlanta-based Shamrock Systems, subsidiaries of Guest Services Inc., of Fairfax. Combined, Cleaves Food Service and Shamrock reported sales of about $68 million from 94 accounts in 1985. Company officials project a 15% increase in accounts and a 10% rise in sales in 1986.

Shamrock Systems primarily handles health care accounts, but it does have some education-related contracts and was acquired by Guest Services Inc. in September. Most of Cleaves's business comes from business and industry.

Jim Pflaging, vice president of marketing and development for Guest Services, said the company's contract food-service operations have increased by 89% during the past five years. The company would like to continue growing at that rate or faster, he said.

Guest Services Inc. began as an association of caterers serving government buildings in Washington, D.C. The company is unique in that it is a 59-year-old corporation paying state and federal taxes, but one with no shareholders—and no need to disperse dividends.

It is a so-called public benefit corporation overseen by a board of trustees, which is able to submit contract bids with smaller margins than most companies with shareholders or other investors could tolerate. Profits are either plowed back into the company or used to support public institutions, such as national art galleries and parks.

While several of the second-tier food-ser-vice companies contacted by *Nation's Restaurant News* are experiencing growth, others are not.

Earl Falk Jr., treasurer of Professional Food Service Management Inc., a 20-year-old college food-service company out of Livonia, Mich., said increased competition from rapidly ex-

*(See **CONTRACT,** page F33)*

### SELECTED SECOND-TIER CONTRACT FEEDERS

| Company | Headquarters | Total Sales (In Millions) '84-'85 | '85-'86 | Number of Accounts '84-'85 | '85-'86 | Type of Accounts |
|---|---|---|---|---|---|---|
| **Cardinal Services** | Sandusky, Ohio | $ 39.0† | N.A. | N.A. | N.A. | Business and industry (B&I), education, health care |
| **Cleaves/Shamrock** | Fairfax, Va. | 68.0 | $ 75.0* | 94 | 119 | B&I, health care, education |
| **Daka Inc.** | Wakefield, Mass. | 100.0 | 100.0* | 270 | 300 | B&I, education, health care |
| **Food Concepts Inc.** | Rutherford, N.J. | 74.0 | 100.0 | 210 | 248 | B&I, health care, education |
| **Lackmann Foodservice** | Jericho, N.Y. | 21.0 | 26.0 | 31 | 39 | B&I, education, catering |
| **Professional Food Services Management** | Livonia, Mich. | 78.0 | 75.0* | N.A. | 90 | Education |
| **Southern Cafeteria** | Birmingham, Ala. | 30.0 | 34.0* | 65 | 70 | B&I, health care |
| **Universal Services** | Seattle, Wash. | 55.0 | 58.0* | N.A. | N.A. | Off-shore, work camp |
| **The Wood Co.** | Allentown, Pa. | 72.0 | 84.0* | 92 | 99 | Health care, education, B&I |

*Company projection
†Combined revenues of food service, vending and manufacturing
Source: *NRN* research

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## HOTEL OPERATORS COMPETE

# Zimmer describes Rosewood's outlets as 'restaurants in hotels, not hotel restaurants.'

*(Continued from page F29)*

concept but also possibly the first in that now-burgeoning segment to offer a full-service restaurant as a point of differentiation. Most of its competitors initially omitted food outlets, but many have followed Guest Quarters' lead.

President Michael Dickens said the inclusion of a restaurant is still helping Guest Quarters maintain a comfortable position at the top end of the all-suites market, "but now we're doing a more thorough job of making sure our restaurants fit into the neighborhoods served by our hotels."

Dickens added that new Guest Quarters should open in Bethesda, Md., later this year, and in Austin, Tex., early in 1987. Properties in San Francisco, Cleveland, Fort Lauderdale and San Ramone, Calif., are planned to open in late 1987 or early 1988.

### Red Lion's Inns

This Northwestern chain has long been regarded in the hotel business as one of the industry's best-managed companies and perhaps the nation's most successful regional lodging system. It is often cited as one of the few hotel companies that generate as much food-service revenue as rooms business.

George Schweitzer, vice president of operations, attributed that distinction to the use of two strong restaurant concepts, the upscale Maxi's, and the mid-priced Misti's, and the tailoring of both to their local markets. He also cites Red Lion's extensive in-house food-service support systems, which include a meat and seafoods supply division, a bakery division, a graphics company and a trucking division.

Four Red Lions are scheduled to open last year, and with a group of well-heeled businessmen now holding a stake in the company, "we are poised to become one of the nation's leading lodging systems. There's no question we'll expand eastward," Schweitzer said.

### Ritz-Carlton

Although less than four years old, this group of five posh hotels and resorts is already carving out a comfortable niche in the luxury market because of the prestige of its name and its emphasis on food-service, president Colgate Holmes said.

"Three of our hotels have Mobile-rated four-star dining facilities, and the other two have three-star-rated outlets," Holmes said. "We probably place more emphasis on food and beverage than most [because] most of our executives have come up through food and beverage."

Holmes said construction could begin later this year on a Ritz-Carlton resort in Aspen, Colo., and a conventional Ritz-Carlton in Phoenix.

### Royce Hotels

This three-tiered chain, which includes Royce Inns, Royce Hotels and Royce Plaza Hotels, plans to grow very quickly to become a national contender. Near-term plans call for the opening of four hotels by March 15 and possibly five more by the end of the year. The strategy, according to president Stephen A. Selka, is to first develop properties in Florida, California and the Northeast and then fill in the other areas of the country.

Selka said Royce will continue to skew its restaurants and catering services to their local markets. He added that the youngness of the Royce properties will also help them lure in referrals. "In five years the average age of a Royce guest room will be two years," Selka said. "That compares with the big guys, who will have an average guest room age of over 10 years."

### Rosewood

By design, this five-property luxury hotel group has probably drawn as much notoriety for its trend-setting American restaurants as it has for its posh guest rooms and public areas. President Robert D. Zimmer described the outlets as "restaurants in hotels, not hotel restaurants," and said each derives 60% to 65% of its business from the local community. The restaurants' elegance, according to Zimmer, has helped solidify Rosewood's position as an up-and-coming contender in the luxury market.

Rosewood's hotels now are Dallas's Mansion on Turtle Creek, Los Angeles's Hotel Bel-Aire, Houston's Remington Post Oak, Maui's Hotel Hana-Maui and Dallas's newly opened Hotel Crescent Court.

### Wyndham Hotels

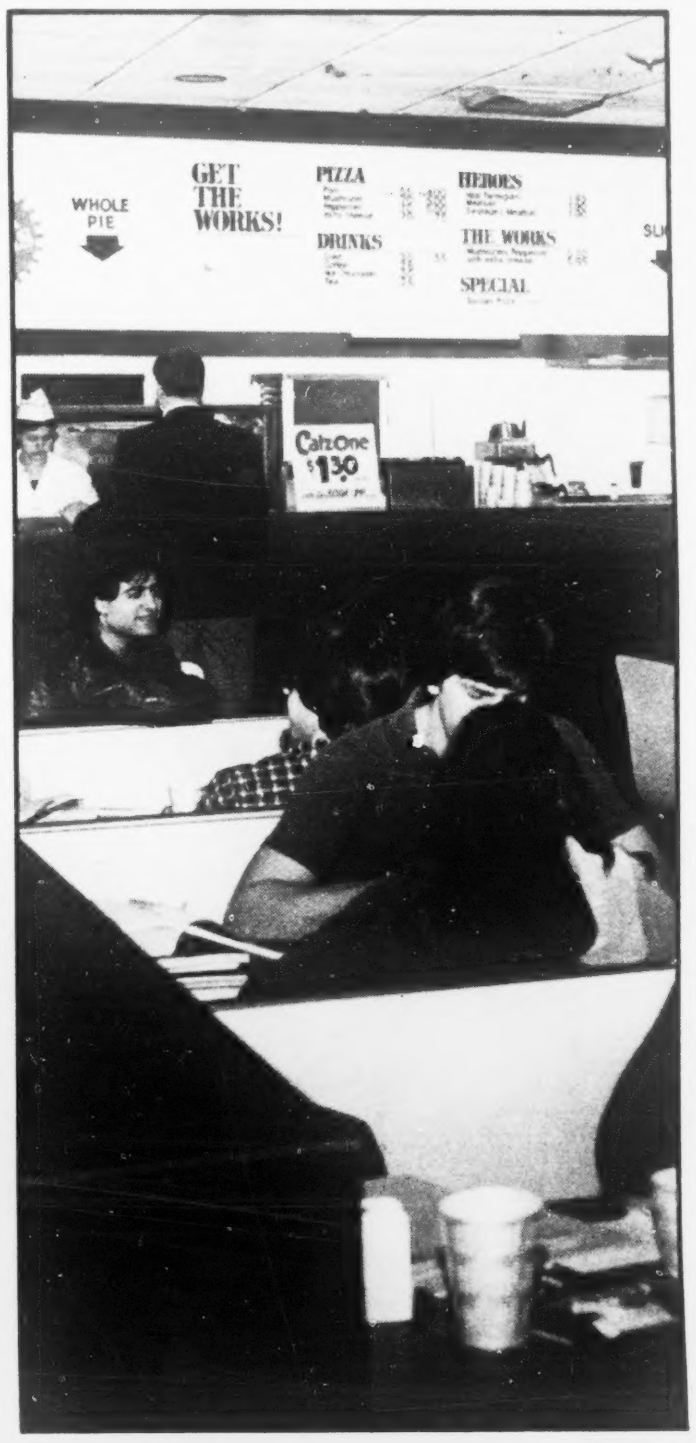
This four-year-old luxury chain owned by Texas millionaire Trammell Crow currently operates about 18 properties in the United States and the Caribbean. Each features multiple food-service outlets, usually including a gourmet Continental restaurant, an upscale facility and a casual all-day dining place. One or more are usually geared to the local market.

The chain recently started up a sub-chain of midmarket properties called Wyndham Garden Hotels, which are admittedly similar to Marriott's Courtyard concept.

FOCUS NRN

# SECOND-TIER CHAINS

UNIVERSAL SERVICES



**Food service aboard ship—in this case, an oil exploration vessel operating off the Atlantic Coast—was provided by Universal Services, which specializes in construction work camp and off-shore oil rig feeding. At right, a campus cafeteria operated by Jericho, N.Y.-based Lackmann Foodservice.**

## CONTRACT FEEDERS

*'Some second-tier companies have developed or are developing their own fast-food and deli concepts.'*

*(Continued from page F31)*

panding giants such as Marriott as well as from aggressive regional contract feeders and national fast-food chains, means volumes and accounts "will be down" slightly in 1986.

The company "is regrouping," Falk said, and projects fiscal 1986 sales of about $68 million from 90 contracts in 34 states, down from about $77 million in sales from 100 contracts in 1985.

Professional Food Service Management Inc.'s heaviest concentration of business is in Wisconsin, Texas and the Midwest.

Some of the second-tier companies, like their larger-volume brethren, have developed or are developing their own fast-food and deli concepts—complete with names and logos.

Robert Fleming, vice president of marketing and sales for Daka, said his company has used its J. P. Swift fast-food concept on campuses and business-and-industry sites for several years. In addition to a distinctive fast-food menu, the "concept" includes special packaging and signage.

J. P. Swift, Fleming said, was created to "satisfy" customers—the generations that have grown up with national fast-food chains—"rather than to build sales."

The majority of Daka's contracts come from business and industry and schools and colleges. However, the company, which acquired Connecticut-based health care feeder R. J. Schilke about three years ago, has grown in that segment and sees future growth there, as do many of its competitors.

Lackmann Foodservice, of Jericho, N.Y.—which generated sales of about $21 million from 31 contracts in 1984-85 and projects sales of $26 million from 39 contracts for the fiscal year ending June 30—has developed The Fresh Approach, a gourmet market-deli in Hackensack, N.J.'s Continental Plaza.

Most of Lackmann's work is for business and industry, but it has nine educational accounts.

Carol Heaver, Lackmann's director of special projects, said the 2,000-sq.-ft. Fresh Approach seats 70 in a contemporary setting of black and white floor tiles, bent wood chairs, small rectangular tables and lots of formica, brass and glass. The menu includes a wide variety of salads, baked goods, entrées, such as deep-dish pizza and pasta, and sandwiches, including specialties like Black Forest ham with Brie on a croissant, she said.

Heaver said the company expects to use the concept at other sites.

Ronald A. Baum, vice president of capital assets for Cardinal Services Inc., of Sandusky, Ohio, which reported total sales of about $39 million in 1985 from its vending, contract food service, and disposable-cup manufacturing divisions, said the company is looking into a "standardized fast-food concept" to use at its industrial and college sites.

Cardinal, which Baum said "is in an acquisition mode," earlier developed The Loft, a concept combining the most desirable traits of a manual cafeteria, scatter lines and a deli.

Walter Berry, president of Southern Cafeteria Co., said his company is developing a grill-deli concept, but he indicated it would not get a separate identity or special packaging—except in special cases.

Berry said clients want more fresh foods, "lighter" foods and a greater variety of ethnic foods worked into the menu, but few are clamoring for "radical conceptual changes" or an end to cafeterias. His company does business in 18 states but has its heaviest concentration of accounts in Georgia.

Unlike many of its competitors, which acquired companies specializing in health care feeding, Southern Cafeteria Co. created a division aimed at that segment last year. Berry said "things are going well" for the unit, but he declined to publicize its sales or accounts.

In the marketing arena Lackmann Foodservice has a strong point-of-purchase promotional program, which Heaver said is primarily funded by outside sources.

By seeking co-op advertising dollars from various trade commissions and manufacturers' associations, she explained, "We can look like a biggie," with four-color art work and giant theme mobiles, "while putting out little bucks."

As an example, Heaver said, 90% of a breakfast promotion was paid for by the North American Blueberry Council and the Pacific Coast Canned Pear Service. She said the tie-ins can be as simple as using the sponsors' products to garnish plates in photographs.

Do the slick promos work?

"Breakfast sales increased by 20%," Heaver said.

John Lepore, president of Food Concepts Inc., explained that his company builds sales with theme days, weekly self-serve specials, such as baked potato bars, taco bars and dessert bars, table tents and discount offers, including punch cards.

Corporate Food Services Inc. and Service Dynamics, of New Jersey, a school, health care and employee feeder, both are computerizing unit and corporate operations. Officials at some other companies indicated they had automated or were planning to automate the front office, but they did not believe it would be practical to carry computerization to the unit level.

Jack Galione, president of Corporate Food Services, said his company is also considering the financial and human elements in preparing for future growth.

While many second-tier companies are broadening their bases by running freestanding public restaurants, entering new segments, such as health care, or by adding divisions or subsidiaries involved in lodging or facilities management or both, others are generating impressive volumes through specialization.

Universal Services Inc.—International, of Seattle, a construction work camp and off-shore feeder and facilities management company with accounts on several continents, will end its fiscal year in March with sales of about $58 million, up from $55 million in 1984-85. The company recently signed a $10 million contract to provide service to an Arco work camp in Alaska.

And L&L Concessions Co., of Troy, Mich., generated 1985 sales of $15 million from in excess of 100 accounts, mostly drive-in and walk-in theaters. John Levy, vice president, said business should be up in 1986.

However, with specialty businesses come specialty headaches.

Levy, whose family's concession company depends greatly on the film industry to generate traffic, noted that if there are too few blockbuster movies in any given year, sales will hurt. Looking on the bright side, he added, "You give us an 'Empire Strikes Back,' or an 'E.T.' and we'll have a marvelous year."

# Slump stings Big Three

*(Continued from page 1)*

er King president Jay Darling about McDonald's recent ad blitz for its lettuce and tomato-topped McDLT. He added sales recovered slightly in January with further improvement expected in February.

At the same time, Wendy's, still battling to integrate its new breakfast program, suffered a year-to-year decline of 1.5% in average unit volumes systemwide, $848,000, for its fiscal year ended Dec. 30. Volumes at company stores, meanwhile, dropped 1.7% to $854,000, Wendy's said.

"The year was one of the most competitive in our history," Wendy's chairman Robert Barney said. "We recognize the challenge that confronts us, and now we are making the changes needed to attract more customers into our restaurants, generating higher sales and profits."

And McDonald's, despite heavy advertising and couponing for McDLT in the fourth quarter, recorded a relatively flat year at the unit level. While per-store sales in the U.S. advanced about 3.5% to more than $1.3 million, real sales gains were minimal, perhaps ½%-1% for the year ended Dec. 30.

But in the ongoing battle of the so-called Big Three burger chains, McDonald's has clearly grabbed the initiative. McDLT, featuring a unique twin-bay package, has quickly become the most successful new product in the fast-food burger segment since Chicken McNuggets, contributing significant incremental sales gains of 3%-5% at a time when both Burger King and Wendy's have come up empty, observers said.

"McDonald's has clobbered the competition with McDLT," said Charles Glovsky, an analyst with Alex. Brown & Sons, Baltimore. "They've capitalized on the fact that both Burger King and Wendy's have become vulnerable. Wendy's must straighten out its breakfast program, while Burger King has failed to capture the consumer's imagination with either new products or marketing."

Indeed, Burger King's record over the past year has fallen short of expections. The chain's "New Whopper" campaign, launched last summer, proved disappointing as a sales generator as has the recent "Herb" campaign.

And chairman J. Jeffrey Campbell's young corps of executives—headed by president Jay Darling—still must prove some franchisees have said, that they have the right stuff to compete on an equal footing with McDonald's and Wendy's veteran crews.

Next on the Burger King agenda will be Chicken Tender, its answer to Chicken McNuggets. It will be rolled out systemwide this month, according to the company, aiming for an initial 10% sales surge and 5% incremental sales. A six-piece box of the breast-meat chunks is priced at $1.59, vs. McDonald's entry at $1.34.

The chicken rollout will be followed in the summer by a new breakfast product, which Darling said would be designed to raise breakfast sales from a current level of about 10% to 13% of the chain's total sales.

Meanwhile, industry sources predict, Wendy's will be forced to reshape its breakfast program, which has proven to be too complex operationally, too slow to be served and impractical for drive-thru business. Speculation is that the No. 3 burger chain will deemphasize the four made-to-order omelets—currently the centerpiece of the program—in favor of established and possibly new "finger foods."

McDonald's which has significantly stepped up new product development in recent years by testing items in the stores, will probably not stop with McDLT.

Four individually packaged salads could be rolled out systemwide this year, analysts predict, affording the No. 1 chain a product category to battle competitors' salad bars. McDonald's has been among the last holdouts in introducing a salad product.

In addition, McDonald's has been testing a ChickenLT sandwich that utilizes the same twin-bay packaging technique as McDLT. Comprised of a nonbreaded, skinless chicken breast that is grilled and served with lettuce and tomato, ChickenLT is the chain's first chicken sandwich product since the McChicken was pulled from test markets two years ago.

# Winning the takeout derby

*(Continued from page 1)*

whelmingly the big winners in the take-out sweepstakes. Fifty-eight per cent of the people polled bought their food there. The next highest frequency was 7%, at family restaurants.

Many industry observers have reported an increasing trend toward takeout. But the results of this study as well as some conflicting demographic shifts make conclusions about the future of the concept difficult to reach.

People aged 18 to 24, the most mobile in society, have the highest incidence of buying takeout of all groups—18%. People 65 and older have the lowest—just 5%. But demographic patterns show an increasingly aging population. Food-service operators eager to boost take-out sales will have to broaden their appeal to older people.

However, the continuing increase in the number of women in the workplace bodes well for any take-out trend since working women have the second highest incidence of carry-out purchases. Moreover, compared with women who are not employed outside the home—7% to 14% of the total—they are twice as likely to buy takeout.

The working-women trend might indicate a shift toward foods that are lighter. But that has not happened yet to any great extent. Burgers, fries and sodas remain dominant.

Thirty per cent of those surveyed said they ordered a burger to go. Next came beverages, at 24%. In third place was the french fry, at 21%.

Two popular foods touted as naturally suited to takout—chicken and pizza—ranked far below burgers. Fourteen per cent of those polled named chicken; 10%, pizza. The study, though, did not include home delivery orders, which would have boosted pizza's share.

The hamburger made its best showing among Southerners, with a 37% incidence. Easterners—at 22%—were the least likely to take out a Big Mac or Whopper.

Gallup also compiled data on which days of the week certain foods were ordered. Burgers were bought most often on Wednesdays, according to 36% of interviewees. They were least popular on Fridays, with a 27% incidence.

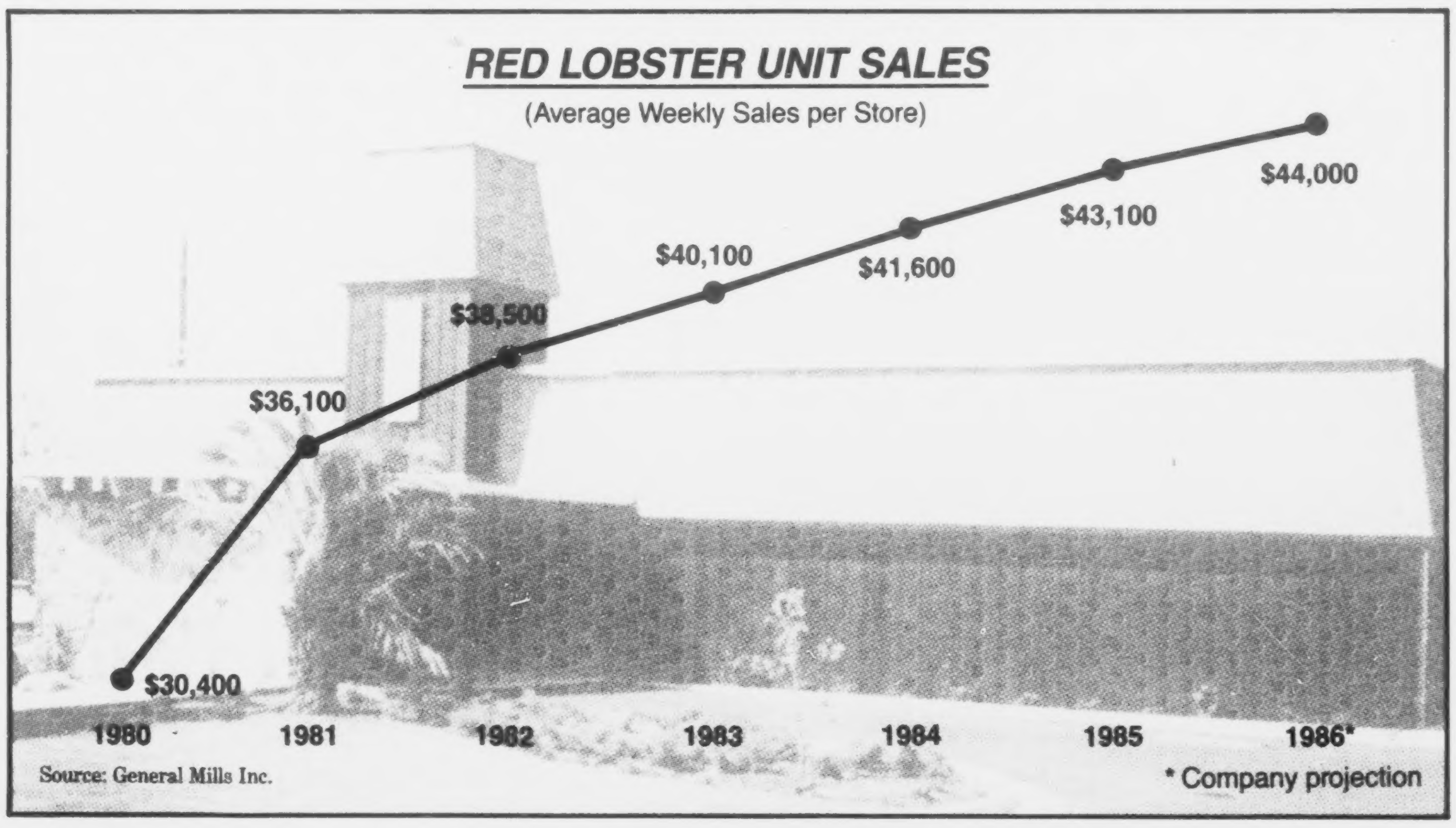
Regional differences showed up mostly in the places where take-out food was bought. For example, Easterners favored fast-food establishments the least, 48%, vs. a 58% national average, but chose delis more than residents of other regions—11%, compared with 5% overall. In the West Mexican restaurants were named by 6% of respondents, but only 2% nationally.

The survey was based on 17,563 telephone interviews with a representative sample of men and women 18 and over, Gallup said.

In other news from Gallup in its Monthly Report on Eating Out:

In December 1985, 36% of all adults surveyed ate out—not a significant difference from the figure for the previous month (35%), nor from that of the previous December (38%). Gallup said the 36% figure represented 61.7 million adults. According to the poll, 44% ate in family-style restaurants, 31% at fast feeders, 15% in cafeterias and 9% in adult-oriented places.

For the year ended November 1985, restaurant operators' average cost of liquor liability insurance increased 110%. The average premium was $39,555. Sixty-nine per cent of the operators said their premiums had gone up in the year. Seventy-nine per cent said they had coverage.



Source: General Mills Inc.

* Company projection

# Expansion rate accelerated

*(Continued from page 1)*

that the company expects to step up its capital spending for restaurants to $450 million over the next five years, including $100 million for international development. In the past five years, he said, restaurants spent $250 million on capital projects.

Lee said Red Lobster would add 20 U.S. outlets this year and 25 annually in following years. Red Lobster recently bought 36 franchised Ponderosa restaurants in Canada for conversion.

The company's 120-unit York Steak House chain, which operates in shopping malls, "is currently below our corporate hurdle rate of return on investment," Atwater said. But Lee added that 16 Yorks have been converted to a promising new concept called Choices.

"Red Lobster and The Olive Garden," Lee said, "will be the driving force of our sales and earnings over the next few years."

"We will be actively seeking real-estate conversion opportunities," Lee said. "The current tough industry environment gives us opportunities as the weak fall out of the market."

General Mills expects its restaurant sales to grow to $2 billion by 1990, up from about $990 million last year. General Mills' total revenue last year was $4.3 billion.

# Hattaway, O'Hara promoted

*(Continued from page 3)*

new marketing vice president is expected to be named this month. Hattaway said the leading candidate is someone "from outside the company."

O'Hara said other priorities include finishing the chain's repositioning effort that began two years ago. That calls for new menu design, the addition of lower-priced entrées in the $5.95 and $6.95 range and a new shift toward serving fresh fish on a rotating basis.

Other goals, O'Hara said, are adding more "personality" to service and completing a systemwide remodeling effort, which has been scaled back and is less extensive than originally envisioned. So far, only 40 units have been remodeled.

In his new post, Hattaway, who served as president since 1979, will be able to spend more time on international operations and developing new business. A top priority is the planned conversion of 36 Canadian restaurants purchased from Ponderosa into Red Lobster units, Hattaway said.

Hattaway, 42, joined Red Lobster in 1974 and advanced through a number of purchasing positions to become vice president of that department in 1977. The following year he was promoted to executive vice president in charge of purchasing , menu planning and operations, a post he held until he was named president.

In other personnel moves, General Mills restaurant group president Joe Lee said Frank Dever, vice president and general manager of Red Lobster International, has been promoted to executive vice president for international operations, reporting to Hattaway; Phil Pritchard, operations vice president of Red Lobster USA, has been promoted to executive vice president of operations, reporting to O'Hara; and Linda Ellis, director of corporate analysis, has been promoted to vice president and controller, also reporting to O'Hara.

Also, vice presidents Chuck Benton (capital expansion), Ted Ruble (employee relations), Kress Muenzmay (purchasing) and Dave Sevig (controller) have been promoted to senior vice presidents in their respective areas, reporting to Hattaway.

O'Hara was also named a vice president of Minneapolis-based General Mills.

# *NRN* Stock Index climbs 2.8 to 151.1

By Don Jeffrey

NEW YORK — For the fourth consecutive week, the *Nation's Restaurant News* Stock Index closed at a record high, rising 2.8 points to finish Feb. 28 at 151.1.

The Dow Jones Industrial Average closed at 1,709.06, an 11.35 weekly gain. On Feb. 27 the index climbed to a record 1,713.99. Declining interest rates fueled the rally, analysts said.

On *NRN*'s 168-issue listing of food-service operators and suppliers, 93 advanced in price, 58 declined and 17 stayed the same.

Although the stock market registered its second highest weekly volume ever, food-service issues that traded above their previous 12-week trading volumes were outnumbered by the less active stocks, 86 to 82.

Captain Crab was the leading relative price gainer as well as the second leading volume surger. It moved up 38¢, to $1.13, a 40% gain, on volume of 587,800 shares, 207.2% higher than the average. The company said there was "nothing particular" to which it could attribute the activity.

General Mills was another leading volume surger, as 1,388,400 shares changed hands, 141.9% above the average, after a leading food analyst recommended "aggressive" buying of the stock. Its price rose $9.13, to $69.25.

For the second week in a row, two issues with large relative price declines were Victoria Station and Benihana. Victoria Station was off 19¢, to 44¢, for a 30% fall, and Benihana declined $1.38, to $8.38, a 14.1% drop.

Food-service and lodging issues that closed the week at new, 52-week highs were as follows: McDonald's, up $2.75, to $89.38; Prime Motor Inns, $2.63, to $48.88; Jerrico, $1, to $26.38; Cracker Barrel, 38¢, to $15.13; and A & M Food Service, 63¢, to $11.

## VOLUME TREND LEADERS

| | | | | | |
|---|---|---|---|---|---|
| Flanigan Ents | A | 255.7 | Chefs Intl | O | 156.6 |
| Capt Crab | M | 207.2 | Mr Steak | O | 156.0 |
| Frisch's | A | 180.0 | Victoria Stations | M | 149.1 |
| El Torito Rest | N | 175.0 | Pizza Transit Auth | O | 143.9 |
| Ryans Family | M | 173.3 | Gen Mills | N | 141.9 |

## TOP PERCENTAGE PRICE GAINERS

| | | | | | |
|---|---|---|---|---|---|
| Capt Crab | M | 50.0 | Frisch's | A | 16.7 |
| Rusty Pelican | M | 30.4 | Po-Folks | M | 15.7 |
| Doskocil Cos | O | 30.2 | Gen Mills | N | 15.2 |
| Mortronics Inc | A | 25.0 | Chi-Chi's | M | 12.5 |
| Mr Steak | O | 20.0 | Vicorp Restaurants | M | 12.0 |

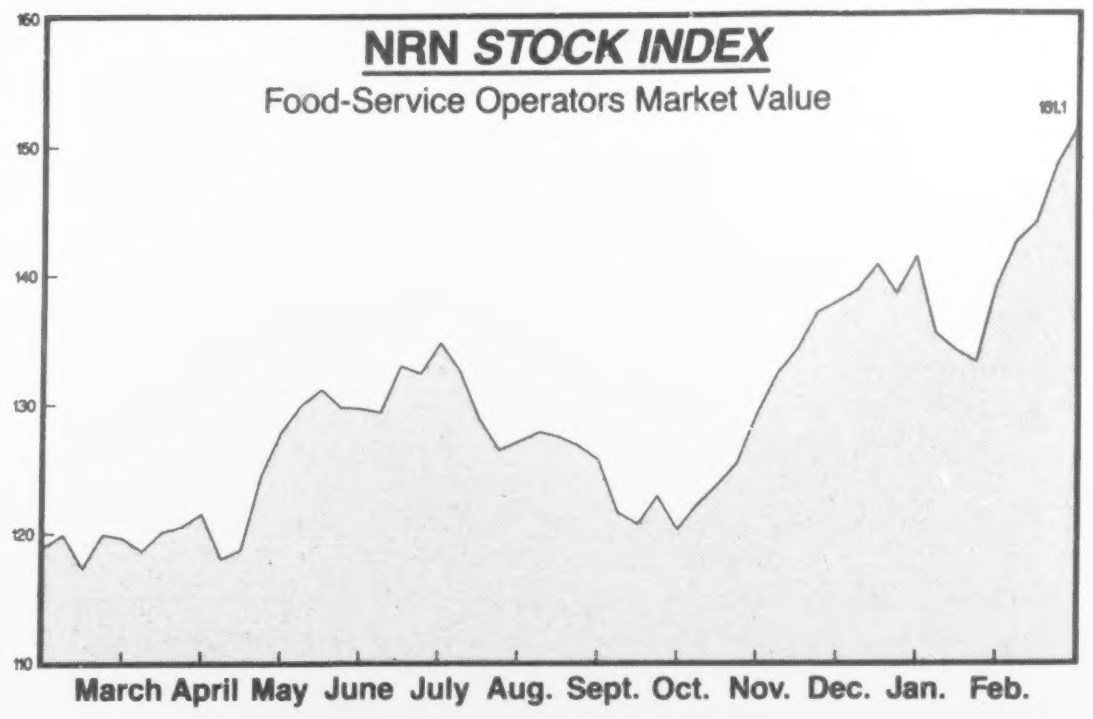
## TOP PERCENTAGE PRICE LOSERS

| | | | | | |
|---|---|---|---|---|---|
| Victoria Stations | M | - 30.0 | Smucker, J.M. | N | - 11.8 |
| Flanigan Ents | A | - 17.1 | Wilson Foods | M | - 9.4 |
| Benihana Natl | M | - 14.1 | Assoc Hosts | M | - 9.1 |
| Am Restaurants | M | - 13.6 | Naugles Inc | M | - 8.8 |
| Winners Cp | N | - 12.0 | Grace W R | N | - 8.6 |

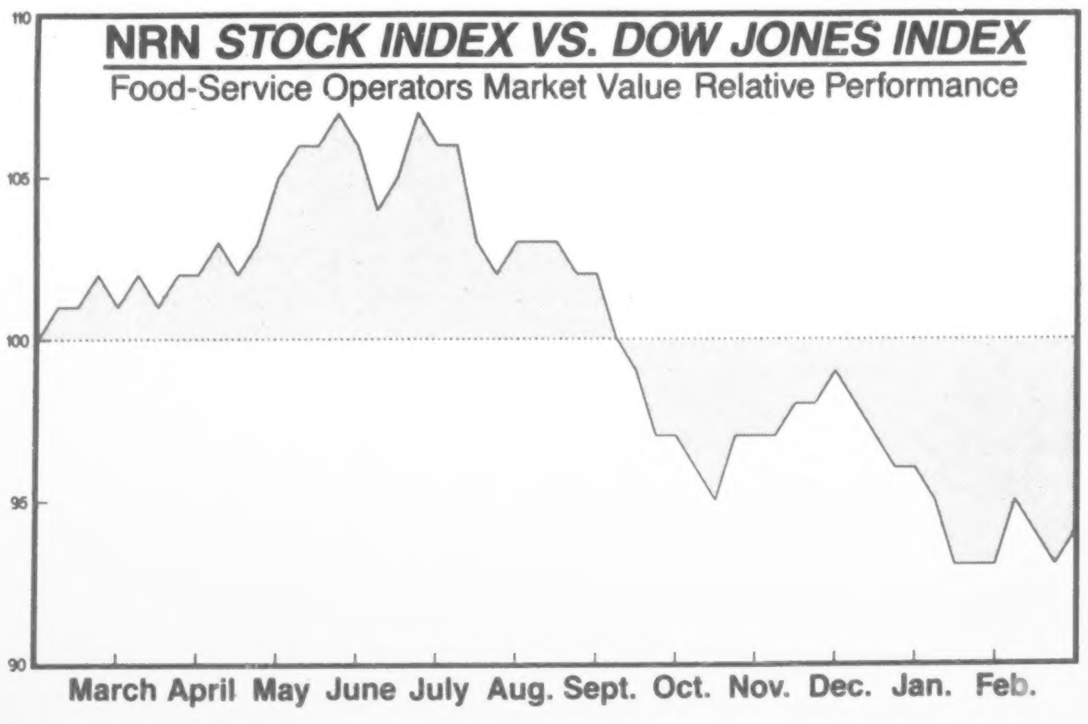
All figures represent weekly percentage change

| Company and Market | Stock Market | | | | | | | | | | | Financial Update | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Price | | | | | | | Volume | | | | | | | | | | | | | | | | | | | | | |
| | 2-28-86 | Weekly Change | | Weekly Range | | 52-Week Range | | Weekly Shares Traded | | 12-Week Avg. Vol. | Volume Trend | P/E | Indicated Divd. Rate | | Latest Report | | | Latest Quarter | | | | | | Year-to-Date | | | | | |
| | | | | | | | | | | | | | | | | | | Revenue | | Net Income | | E.P.S. | | Revenue | | Net Income | | E.P.S. | |
| | Close | Amt. | Pct. | High | Low | High | Low | Total | % Out | As % Out | Change | Ratio | Amt. | Yld. | New Report | Period | Date Ended | Latest | Yr. Ago | Latest | Yr. Ago | Latest | Yr. Ago | Latest | Yr. Ago | Latest | Yr. Ago | Latest | Yr. Ago |
| - | $ | $ | % | $ | $ | $ | $ | (100) | % | % | % | - | $ | % | - | - | - | $Mil | $Mil | $Mil | $Mil | $ | $ | $Mil | $Mil | $Mil | $Mil | $ | $ |
| **Restaurants - NRN Stock Index Issues** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A&M Food Svcs M | 11.00 | .63 | 6.0 | 11.00 | 10.50 | 11.00 | 4.75 | 2,281 | 6.40 | 2.93 | 118.4 | 19.3 | .00 | .0 | ..... | 9 mos. | 09-85 | 16.3 | 8.1 | 1.2 | .4 | .33 | .11 | 33.5 | 22.1 | 2.0 | 1.1 | .55 | .30 |
| Am Restaurants M | 2.38 | - .38 | - 13.6 | 2.75 | 2.38 | 4.25 | 2.25 | 51 | .22 | .37 | - 40.5 | NE | .00 | .0 | ..... | 9 mos. | 10-85 | 5.4 | 4.6 | (.2) | .1 | (.06) | .02 | 15.8 | 13.6 | (.1) | .3 | (.02) | .12 |
| Assoc Hosts M | 7.50 | - .75 | - 9.1 | 8.13 | 7.50 | 14.50 | 7.50 | 1,752 | 3.95 | 2.83 | 39.6 | 21.4 | .12 | 1.6 | ..... | 3 mos. | 12-85 | 21.2 | 22.5 | .2 | .7 | .05 | .16 | 21.2 | 22.5 | .2 | .7 | .05 | .16 |
| Bob Evans Farms M | 21.75 | - .75 | - 3.3 | 22.50 | 21.50 | 22.75 | 17.28 | 1,275 | .71 | .93 | - 23.7 | 19.8 | .30b | 1.4 | ..... | 6 mos. | 10-85 | 66.2 | 58.1 | 5.6 | 4.6 | .31 | .25 | 128.1 | 112.1 | 10.6 | 9.0 | .59 | .50 |
| Calny Food M | 15.63 | - .25 | - 1.6 | 16.00 | 15.50 | 16.00 | 11.38 | 1,312 | 2.90 | 3.41 | - 15.0 | 20.3 | .16 | 1.0 | ..... | 9 mos. | 11-85 | 16.6 | 13.6 | 1.1 | .9 | .24 | .19 | 46.8 | 38.6 | 2.7 | 2.3 | .59 | .50 |
| Capt Crab M | 1.13 | .38 | 50.0 | 1.19 | 1.06 | 2.63 | .69 | 5,878 | 3.84 | 1.25 | 207.2 | NE | .00 | .0 | ..... | 3 mos. | 11-85 | 2.4 | 1.6 | (.1) | (.6) | (.01) | (.04) | 2.4 | 1.6 | (.1) | (.6) | (.01) | (.04) |
| Carrols Cp N | 6.88 | - .13 | - 1.8 | 7.00 | 6.63 | 11.25 | 6.50 | 564 | .72 | .73 | - 1.4 | 14.6 | .10 | 1.5 | ..... | 6 mos. | 11-85 | 37.9 | 36.0 | .5 | 1.8 | .06 | .22 | 77.7 | 74.0 | 2.0 | 3.9 | .26 | .50 |
| Chefs Intl O | .47 | .03 | 7.1 | 0.50 | 0.41 | .88 | .25 | 3,773 | 1.95 | .76 | 156.6 | NE | .00 | .0 | ..... | 9 mos. | 10-85 | 5.3 | 5.1 | (.3) | (.4) | (.02) | (.02) | 16.1 | 16.9 | (.3) | (.9) | (.02) | (.05) |
| Chi-Chi's M | 10.13 | 1.13 | 12.5 | 10.38 | 8.88 | 14.38 | 7.75 | 25,533 | 9.45 | 9.58 | - 1.4 | 19.1 | .00 | .0 | ..... | 6 mos. | 10-85 | 64.7 | 47.7 | 3.5 | 4.5 | .13 | .16 | 129.8 | 94.3 | 8.0 | 9.5 | .30 | .35 |
| Chili's Inc M | 20.13 | .13 | .6 | 20.13 | 19.25 | 28.88 | 17.50 | 3,078 | 5.91 | 8.78 | - 32.7 | 22.1 | .00 | .0 | ..... | 6 mos. | 12-85 | 24.5 | 16.0 | 1.0 | 1.0 | .18 | .20 | 49.8 | 31.0 | 2.3 | 1.9 | .44 | .41 |
| Churchs Fr Ch N | 16.25 | .25 | 1.6 | 16.38 | 15.88 | 20.25 | 14.38 | 15,712 | 4.17 | 5.21 | - 20.0 | 26.2 | .44 | 2.7 | NEW | fiscal | 12-85 | 159.5 | 182.4 | (5.6) | 14.5 | (.15) | .38 | 548.8 | 533.2 | 23.4 | 42.6 | .62 | 1.13 |
| Collins Foods N | 14.25 | - .38 | - 2.6 | 14.63 | 12.50 | 16.69 | 11.50 | 4,084 | 2.06 | 1.97 | 4.6 | 14.5 | .12 | .8 | ..... | 6 mos. | 10-85 | 132.8 | 114.3 | 5.8 | 5.1 | .28 | .26 | 269.2 | 229.3 | 11.4 | 9.9 | .56 | .50 |
| Concept Dev M | 2.50 | .25 | 11.1 | 2.50 | 2.13 | 16.75 | 2.00 | 330 | .63 | 1.13 | - 44.2 | NE | .00a | .0 | NEW | 6 mos. | 12-85 | 8.6 | 9.9 | (2.2) | NC | (.42) | NC | 17.9 | 20.4 | (3.1) | NC | (.60) | NC |
| Consol Prods M | 3.00 | .25 | 9.1 | 3.00 | 2.75 | 5.13 | 2.75 | 79 | .24 | .45 | - 46.7 | NE | .08 | 2.7 | ..... | 3 mos. | 12-85 | 19.4 | 15.2 | (.3) | .3 | (.11) | .10 | 19.4 | 15.2 | (.3) | .3 | (.11) | .10 |
| Consul Restaurant M | 2.38 | .25 | 11.8 | 2.38 | 2.00 | 5.88 | 1.50 | 1,302 | 2.85 | 2.35 | 21.3 | NE | .00 | .0 | NEW | 6 mos. | 11-85 | 18.6 | 20.9 | (1.1) | (.4) | (.24) | (.11) | 40.4 | 42.0 | (1.0) | (.4) | (.22) | (.10) |
| Cracker Barrel M | 15.13 | .38 | 2.5 | 15.13 | 14.75 | 15.13 | 10.25 | 391 | 1.10 | 1.44 | - 23.6 | 18.4 | .14 | .9 | NEW | 6 mos. | 01-86 | 17.4 | 14.2 | .1 | (.2) | .02 | (.07) | 37.7 | 30.8 | 1.1 | .6 | .30 | .19 |
| Cucos Inc O | 7.00 | .00 | .0 | 7.25 | 6.75 | 9.25 | 4.50 | 98 | .56 | .46 | 21.7 | 36.8 | .00 | .0 | ..... | 6 mos. | 12-85 | 2.5 | 1.5 | .1 | .1 | .05 | .04 | 5.3 | 3.2 | .2 | .1 | .10 | .07 |
| DLites Of Amer M | 3.13 | - .25 | - 7.4 | 3.25 | 3.00 | 14.38 | 2.75 | 2,507 | 4.92 | 6.97 | - 29.4 | NE | .00 | .0 | ..... | 6 mos. | 09-85 | 4.9 | 2.3 | (3.4) | .1 | (.67) | .04 | 10.8 | 4.7 | (3.2) | .1 | (.62) | .05 |
| Dunkin Donuts M | 29.75 | .50 | 1.7 | 30.00 | 28.88 | 29.75 | 18.00 | 2,070 | 2.87 | 2.97 | - 3.4 | 20.0 | .24 | .8 | NEW | 3 mos. | 01-86 | 26.2 | 22.7 | 3.1 | 2.6 | .42 | .36 | 26.2 | 22.7 | 3.1 | 2.6 | .42 | .35 |
| El Chico M | 7.25 | - .50 | - 6.5 | 7.88 | 7.25 | 12.50 | 7.13 | 1,149 | 2.47 | 2.03 | 21.7 | 9.1 | .00 | .0 | ..... | 6 mos. | 11-85 | 30.1 | 20.1 | .6 | .9 | .12 | .19 | 52.0 | 41.2 | 1.6 | 1.8 | .34 | .39 |
| El Pollo Asa O | 6.00 | .63 | 11.6 | 6.25 | 5.50 | 6.34 | 3.09 | 1,253 | 7.43 | 3.17 | 134.4 | NM | .00 | .0 | ..... | 9 mos. | 12-85 | .6 | .6 | (.1) | (.1) | (.02) | (.04) | 3.6 | 1.8 | .1 | (.5) | .04 | (.27) |
| El Torito Rest N | 13.75 | 1.25 | 10.0 | 14.00 | 12.25 | 19.25 | 9.00 | 2,695 | 2.42 | .88 | 175.0 | 14.9 | .08 | .6 | ..... | fiscal | 12-85 | 84.3 | 61.1 | 2.1 | 2.1 | .18 | .19 | 318.8 | 250.1 | 10.6 | 11.1 | .92 | .97 |
| Famous Rest M | 1.69 | .00 | .0 | 1.69 | 1.50 | 2.94 | 1.25 | 482 | .80 | 2.19 | - 63.5 | NE | .00 | .0 | ..... | 9 mos. | 09-85 | 11.9 | 12.3 | .0 | (.5) | .01 | (.08) | 40.5 | 42.0 | .3 | (.5) | .06 | (.08) |
| Fast Food Oper O | .44 | .00 | .0 | 0.56 | 0.44 | 1.00 | .44 | 295 | .50 | .38 | 31.6 | 21.9 | .00 | .0 | ..... | 9 mos. | 09-85 | 2.2 | 2.2 | .0 | .1 | .01 | .01 | 5.9 | 6.0 | .1 | .2 | .02 | .03 |
| Flakey Jakes M | 2.25 | .13 | 5.9 | 2.31 | 2.13 | 8.13 | 1.13 | 1,634 | 2.35 | 4.93 | - 52.3 | NE | .00 | .0 | ..... | 9 mos. | 09-85 | 6.0 | 3.3 | (.8) | (.3) | (.12) | (.05) | 16.6 | 6.6 | (5.2) | (.7) | (.75) | (.11) |
| Folks Rest O | .25 | .00 | .0 | 0.63 | 0.25 | 3.00 | .25 | 11 | .07 | .31 | - 77.4 | NE | .00 | .0 | ..... | 9 mos. | 09-85 | 2.2 | 1.3 | (.7) | (.1) | (.49) | (.07) | 6.1 | 3.8 | (1.0) | (.3) | (.66) | (.20) |
| Frisch's A | 24.50 | 3.50 | 16.7 | 24.50 | 20.88 | 25.00 | 18.63 | 572 | 1.26 | .45 | 180.0 | 29.9 | .22b | .9 | ..... | 6 mos. | 12-85 | 30.1 | 29.7 | .6 | 1.2 | .15 | .26 | 71.1 | 69.6 | 1.5 | 2.9 | .34 | .63 |
| Fuddruckers Inc M | 4.63 | - .13 | - 2.6 | 4.75 | 4.63 | 11.00 | 4.63 | 1,663 | 2.46 | 3.32 | - 25.9 | 51.4 | .00 | .0 | ..... | 9 mos. | 09-85 | 14.7 | 7.0 | .1 | .6 | .01 | .09 | 38.6 | 16.3 | .6 | NC | .09 | NC |
| Hambrg Hamlet O | 15.00 | .25 | 1.7 | 15.75 | 14.75 | 15.25 | 13.75 | 2 | .03 | .21 | - 85.7 | 8.0 | .00 | .0 | ..... | 9 mos. | 12-85 | 9.3 | 9.4 | .4 | .3 | .52 | .39 | 28.2 | 28.7 | 1.1 | 1.1 | 1.49 | 1.56 |
| Intl King Tab M | 24.75 | - 1.00 | - 3.9 | 25.00 | 24.00 | 26.00 | 14.88 | 759 | 2.64 | 3.68 | - 28.3 | 16.6 | .00a | .0 | ..... | 6 mos. | 12-85 | 19.0 | 18.2 | .6 | .7 | .22 | .27 | 37.9 | 37.4 | 1.7 | 1.8 | .60 | .63 |
| JB Restaurant M | 10.00 | - .13 | - 1.2 | 10.25 | 9.38 | 15.50 | 7.63 | 920 | 1.92 | 4.01 | - 52.1 | 29.4 | .16 | 1.6 | ..... | 3 mos. | 12-85 | 23.5 | 18.7 | (.4) | .6 | (.09) | .17 | 23.5 | 18.7 | (.4) | .6 | (.09) | .17 |
| Jerrico Inc M | 26.38 | 1.00 | 3.9 | 26.38 | 25.75 | 26.38 | 16.63 | 3,547 | 2.24 | 4.55 | - 50.8 | 19.8 | .16 | .6 | ..... | 6 mos. | 12-85 | 140.3 | 123.4 | 5.1 | 4.1 | .13 | .26 | 280.0 | 255.3 | 12.3 | 10.4 | .58 | .66 |
| Kapok Cp A | 4.63 | - .38 | - 7.5 | 5.00 | 4.38 | 5.38 | 2.13 | 469 | 1.92 | 1.24 | 54.8 | 2.8 | .00 | .0 | ..... | 9 mos. | 06-85 | 3.8 | 6.4 | 1.1 | (.8) | .40 | (.34) | 14.6 | 17.3 | 4.9 | (2.9) | 2.01 | (1.26) |
| Karcher Carl M | 15.50 | 1.13 | 7.8 | 16.38 | 14.75 | 18.25 | 13.75 | 2,252 | 3.18 | 2.70 | 17.8 | 20.9 | .00 | .0 | ..... | 9 mos. | 10-85 | 75.1 | 77.3 | 1.5 | 1.4 | .22 | .20 | 249.7 | 256.1 | 3.8 | 10.2 | .54 | 1.44 |
| Lifestyle Rest A | 1.63 | .00 | .0 | 1.63 | 1.56 | 2.88 | 1.38 | 162 | .29 | .60 | - 51.7 | NE | .00 | .0 | ..... | fiscal | 10-85 | 17.7 | 22.7 | .1 | (2.2) | .02 | (.40) | 77.5 | 88.9 | (4.7) | (3.9) | (.83) | (.70) |
| Luby's Cafe N | 35.25 | - .75 | - 2.1 | 36.00 | 34.63 | 43.63 | 26.50 | 840 | .69 | .78 | - 11.5 | 21.2 | .60 | 1.7 | ..... | 3 mos. | 11-85 | 51.5 | 46.8 | 4.9 | 4.3 | .41 | .36 | 51.5 | 46.8 | 4.9 | 4.3 | .41 | .36 |
| Marcus Corp M | 20.00 | .00 | .0 | 20.25 | 20.00 | 20.25 | 15.75 | 47 | .09 | .24 | - 62.5 | 11.7 | .30 | 1.5 | ..... | 6 mos. | 11-85 | 32.2 | 30.2 | 2.2 | 2.0 | .43 | .39 | 68.3 | 63.7 | 5.4 | 4.8 | 1.05 | .94 |
| Marriott Corp N | 135.13 | - 4.00 | - 2.9 | 140.50 | 131.00 | 140.50 | 80.00 | 2,469 | .95 | .87 | 9.2 | 21.8 | .64 | .5 | ..... | fiscal | 12-85 | 1396.2 | 1122.2 | 51.6 | 43.8 | 1.90 | 1.64 | 4241.7 | 3524.9 | 167.4 | 139.8 | 6.20 | 5.18 |
| Maverick Rest M | 2.25 | .13 | 5.9 | 2.25 | 2.00 | 4.00 | 1.13 | 139 | .28 | 1.00 | - 72.0 | NE | .00 | .0 | ..... | 9 mos. | 10-85 | 3.5 | 3.0 | .1 | .1 | .01 | .03 | 9.9 | 8.3 | .0 | .6 | (.01) | .13 |
| Max & Erma's O | 2.25 | .13 | 5.9 | 2.50 | 2.13 | 4.75 | .88 | 231 | 1.28 | 1.61 | - 20.5 | NE | .00 | .0 | ..... | fiscal | 10-85 | 3.7 | 4.4 | (.2) | (.2) | (.07) | (.21) | 16.3 | 17.6 | (.3) | (.8) | (.14) | (.42) |
| McDonald's Cp N | 89.38 | 2.75 | 3.2 | 89.38 | 86.13 | 89.38 | 58.00 | 11,469 | 1.34 | 1.41 | - 5.0 | 17.9 | .90 | 1.0 | ..... | fiscal | 12-85 | 982.1 | 970.8 | 103.5 | 91.2 | 1.20 | 1.02 | 3760.9 | 3365.9 | 433.0 | 389.1 | 4.99 | 4.39 |
| McFaddin Ven A | 5.25 | - .13 | - 2.3 | 5.75 | 4.75 | 11.63 | 4.38 | 462 | .84 | .71 | 18.3 | 6.3 | .00 | .0 | ..... | fiscal | 11-85 | 17.8 | 11.0 | .4 | .3 | .06 | .06 | 65.9 | 41.9 | 4.3 | 2.9 | .84 | .60 |
| Morrison Inc M | 22.13 | - 1.50 | - 6.3 | 22.25 | 21.63 | 23.63 | 17.63 | 4,165 | 3.06 | 2.61 | 17.2 | 16.9 | .48 | 2.2 | ..... | 6 mos. | 11-85 | 123.8 | 120.2 | 5.4 | 5.3 | .39 | .39 | 252.6 | 238.1 | 10.3 | 9.9 | .75 | .73 |
| Mr Steak O | 1.50 | .25 | 20.0 | 1.63 | 1.25 | 3.13 | .88 | 1,035 | 2.15 | .84 | 156.0 | NE | .00 | .0 | ..... | 3 mos. | 12-85 | 6.0 | 13.9 | (.3) | .1 | (.05) | .02 | 6.0 | 13.9 | (.3) | .1 | (.05) | .02 |
| Nankin Express O | .63 | .00 | .0 | 0.69 | 0.63 | 1.50 | .09 | 262 | 1.16 | 3.28 | - 64.6 | NE | .00 | .0 | ..... | 9 mos. | 10-85 | .2 | .3 | (.6) | (.3) | (.28) | (.10) | .9 | .7 | (1.5) | (.6) | (.67) | (.25) |
| Nathans M | 4.50 | - .25 | - 5.3 | 4.63 | 4.50 | 5.13 | 3.38 | 212 | .95 | .94 | 1.1 | 12.5 | .05 | 1.1 | ..... | 9 mos. | 12-85 | 5.3 | 5.0 | .1 | .1 | .03 | .03 | 18.8 | 17.2 | 1.0 | .9 | .43 | .39 |
| Natl Pizza M | 18.75 | .50 | 2.7 | 19.00 | 18.25 | 19.00 | 8.25 | 43 | .08 | .64 | - 87.5 | 21.1 | .00 | .0 | ..... | 9 mos. | 12-85 | 16.0 | 9.9 | 1.2 | .8 | .23 | .15 | 47.2 | 30.4 | 4.2 | 2.8 | .75 | .56 |
| Naugles Inc M | 3.88 | - .38 | - 8.8 | 4.25 | 3.75 | 6.13 | 1.38 | 1,205 | 2.72 | 2.55 | 6.7 | NE | .00 | .0 | ..... | 6 mos. | 12-85 | 27.7 | 27.6 | (2.6) | (.1) | (.59) | (.04) | 69.8 | 65.9 | (4.2) | .3 | (.94) | .06 |
| Noble Roman O | 6.75 | - .25 | - 3.6 | 7.25 | 6.75 | 8.50 | 5.00 | 108 | .89 | .69 | 29.0 | NE | .00 | .0 | ..... | 9 mos. | 09-85 | 5.6 | 4.5 | (.2) | NC | (.24) | .03 | 15.8 | 13.4 | (.4) | .1 | (.37) | .09 |
| Old Fashion Fd M | 4.63 | .00 | .0 | 4.75 | 4.63 | 5.25 | 4.25 | 42 | .30 | .67 | - 55.2 | 7.7 | .00 | .0 | ..... | 6 mos. | 11-85 | 3.7 | 3.5 | .2 | .1 | .11 | .11 | 7.4 | 6.8 | .3 | .3 | .21 | .24 |
| OldSpag M | 6.38 | .25 | 4.1 | 6.63 | 6.25 | 8.25 | 6.00 | 101 | .67 | 3.68 | - 81.8 | 13.3 | .00 | .0 | ..... | 6 mos. | 12-85 | 3.5 | 3.3 | .1 | .1 | .05 | .16 | 7.2 | 6.5 | .2 | .2 | .15 | .23 |
| Pancho Mex Buffet M | 10.63 | - .50 | - 4.5 | 10.75 | 10.38 | 11.13 | 6.13 | 1,169 | 3.15 | 2.40 | 31.3 | 18.3 | .13 | 1.2 | ..... | 3 mos. | 12-85 | 9.2 | 7.9 | .4 | .2 | .10 | .09 | 9.2 | 7.9 | .4 | .2 | .10 | .09 |
| Piccadilly Caf M | 23.75 | .25 | 1.1 | 24.00 | 23.25 | 24.00 | 15.81 | 177 | .23 | .76 | - 69.7 | 18.3 | .52 | 2.2 | ..... | 6 mos. | 12-85 | 53.3 | 48.4 | 3.4 | 3.0 | .46 | .40 | 103.6 | 94.8 | 6.0 | 5.7 | .80 | .76 |
| Pizza Inn A | 8.00 | .00 | .0 | 8.25 | 7.50 | 10.00 | 6.25 | 951 | 3.14 | 1.54 | 103.9 | NE | .08 | 1.0 | ..... | 9 mos. | 09-85 | 50.0 | 48.6 | .1 | .6 | .02 | .20 | 148.3 | 135.6 | .5 | 2.5 | .16 | .81 |
| Pizza Transit Auth O | 2.63 | .13 | 5.0 | 2.88 | 2.50 | 3.00 | .88 | 1,317 | 5.83 | 2.39 | 143.9 | NE | .00 | .0 | ..... | 3 mos. | 11-85 | .3 | .2 | (.2) | (.1) | (.11) | (.05) | .3 | .2 | (.2) | (.1) | (.11) | (.05) |
| Po-Folks M | 10.13 | 1.38 | 15.7 | 10.50 | 8.38 | 14.75 | 8.00 | 755 | 1.71 | 1.77 | - 3.4 | 20.7 | .00 | .0 | ..... | 3 mos. | 12-85 | 38.5 | 30.3 | (.8) | .6 | (.19) | .15 | 38.5 | 30.3 | (.8) | .6 | (.19) | .15 |
| Ponderosa Sys N | 13.63 | - .38 | - 2.7 | 14.00 | 13.50 | 16.25 | 10.50 | 2,101 | 2.17 | 3.09 | - 29.8 | NM | .40 | 2.9 | ..... | 9 mos. | 11-85 | 113.4 | 122.8 | 2.3 | 2.3 | .24 | .22 | 348.3 | 366.8 | 4.6 | 11.5 | .48 | 1.28 |
| Primo Inc O | 1.63 | .00 | .0 | 1.75 | 1.63 | 3.50 | .69 | 471 | 1.40 | 3.16 | - 55.7 | 54.2 | .00 | .0 | ..... | fiscal | 09-85 | 2.4 | .9 | (.2) | (.2) | (.05) | (.07) | 5.4 | 3.8 | .1 | (.2) | .03 | (.08) |
| RAX Restaurants M | 8.13 | .38 | 4.8 | 8.25 | 7.75 | 10.00 | 5.00 | 1,714 | 2.50 | 1.47 | 70.1 | NE | .00 | .0 | ..... | 3 mos. | 10-85 | 32.1 | 29.2 | .3 | .9 | .04 | .13 | 32.1 | 29.2 | .3 | .9 | .04 | .13 |
| Rest Assoc A | 8.88 | - .75 | - 7.8 | 9.38 | 8.75 | 9.63 | 4.50 | 110 | .39 | .85 | - 54.1 | 17.4 | .10 | 1.1 | ..... | 9 mos. | 09-85 | 35.9 | 35.0 | 1.2 | .4 | .28 | .10 | 104.9 | 97.8 | 1.5 | 1.0 | .37 | .25 |
| Rest Mgmt M | 12.25 | - .50 | - 3.9 | 12.75 | 12.00 | 15.00 | 10.50 | 241 | 1.14 | 2.11 | - 46.0 | 17.8 | .09 | .7 | ..... | fiscal | 10-85 | 8.6 | 6.6 | .4 | .3 | .15 | .16 | 35.3 | 26.4 | 1.9 | 1.4 | .69 | .65 |
| Restec O | 2.75 | .00 | .0 | 3.50 | 2.75 | 3.75 | 2.75 | 21 | .12 | .36 | - 66.7 | NE | .00 | .0 | ..... | fiscal | 06-85 | 1.2 | .7 | (.1) | .1 | (.02) | .01 | 4.7 | 2.9 | (.1) | .1 | (.05) | .04 |
| Ritzys G D M | 1.00 | .06 | 6.7 | 1.13 | 0.94 | 3.00 | .94 | 686 | 1.32 | 1.05 | 25.7 | NE | .00 | .0 | ..... | 9 mos. | 09-85 | 3.8 | 4.4 | (3.1) | (.5) | (.60) | (.11) | 10.7 | 10.6 | (4.1) | (1.6) | (.79) | (.31) |
| Rusty Pelican M | 15.00 | 3.50 | 30.4 | 15.38 | 11.38 | 17.25 | 10.25 | 568 | 2.01 | 2.07 | - 2.9 | 18.1 | .00 | .0 | ..... | 6 mos. | 01-86 | 12.9 | 10.9 | .1 | .2 | .05 | .04 | 27.2 | 21.5 | .4 | .5 | .15 | .18 |
| Ryans Family M | 22.25 | 2.00 | 9.9 | 22.75 | 20.00 | 22.75 | 10.16 | 8,493 | 7.87 | 2.88 | 173.3 | 42.8 | .00 | .0 | ..... | fiscal | 12-85 | 18.7 | .4 | 1.7 | 1.0 | .17 | .11 | 54.7 | 32.0 | 5.4 | 3.3 | .52 | .34 |
| Saga Corp N | 26.75 | .50 | 1.9 | 28.00 | 26.25 | 31.38 | 20.75 | 2,595 | 2.06 | 1.64 | 25.6 | 15.5 | .52 | 1.9 | ..... | 6 mos. | 12-85 | 376.6 | 331.1 | 10.2 | 13.7 | .80 | 1.03 | 687.5 | 602.7 | 12.8 | 19.4 | 1.00 | 1.45 |
| Sandwich Chef M | 7.75 | .25 | 3.3 | 7.75 | 7.50 | 9.13 | 6.88 | 153 | 1.23 | 1.08 | 13.9 | 14.6 | .00 | .0 | ..... | 6 mos. | 12-85 | 7.1 | 7.1 | .1 | .1 | .07 | .11 | 14.4 | 14.0 | .3 | .3 | .23 | .27 |
| Sbarro Inc A | 26.00 | - .50 | - 1.9 | 26.50 | 24.13 | 26.50 | 11.13 | 471 | 1.24 | 1.93 | - 35.8 | 36.1 | .00 | .0 | ..... | 9 mos. | 09-85 | 9.2 | 5.0 | 1.0 | .5 | .27 | .17 | 22.1 | 14.9 | 1.9 | 1.5 | .55 | .50 |
| Sea Galley M | 3.38 | - .25 | - 6.9 | 3.75 | 3.38 | 9.50 | 3.38 | 373 | 1.18 | 2.39 | - 50.6 | 2.5 | .00 | .0 | ..... | 9 mos. | 09-85 | 14.6 | 15.7 | .1 | 2.3 | .05 | .58 | 44.5 | 48.3 | 2.4 | 5.3 | .75 | 1.35 |
| Shoney's Inc M | 29.88 | 1.13 | 3.9 | 30.50 | 29.00 | 31.88 | 24.00 | 5,783 | 2.03 | 2.01 | 1.0 | 23.0 | .18 | .6 | ..... | fiscal | 10-85 | 131.3 | 109.8 | 9.6 | 8.3 | .34 | .29 | 540.6 | 469.8 | 37.2 | 30.2 | 1.30 | 1.09 |
| Shoney's South M | 14.38 | .25 | 1.8 | 14.38 | 14.25 | 15.50 | 10.00 | 951 | 1.69 | 1.93 | - 12.4 | 13.6 | .00 | .0 | ..... | 9 mos. | 09-85 | 43.7 | 39.7 | 1.7 | 1.8 | .30 | .32 | 138.1 | 126.2 | 4.7 | 5.8 | .81 | 1.00 |
| SIS Cp M | 6.00 | - .25 | - 4.0 | 6.25 | 5.75 | 6.75 | 3.75 | 23 | .15 | .54 | - 72.2 | NE | .00 | .0 | ..... | 9 mos. | 09-85 | 4.0 | 2.1 | .1 | (.1) | .06 | (.02) | 9.9 | 5.6 | .0 | (.1) | .00 | (.05) |
| Sizzler Rest Intl M | 18.75 | - .75 | - 3.8 | 18.75 | 18.50 | 19.50 | 12.19 | 2,172 | 2.12 | 1.48 | 43.2 | 17.5 | .00 | .0 | ..... | 6 mos. | 10-85 | 44.0 | 39.1 | 3.1 | 2.5 | .29 | .24 | 90.4 | 79.1 | 6.1 | 5.0 | .59 | .49 |
| Skippers M | 9.88 | .13 | 1.3 | 10.13 | 9.88 | 12.50 | 8.75 | 1,083 | 3.98 | 2.39 | 66.5 | 10.4 | .08 | .8 | ..... | 9 mos. | 09-85 | 17.2 | 14.5 | .6 | .5 | .21 | .18 | 48.7 | 42.3 | 1.7 | 1.6 | .62 | .60 |
| So Hospitality M | 4.38 | .13 | 2.9 | 4.38 | 4.13 | 5.75 | 3.75 | 838 | 1.68 | 1.52 | 10.5 | 10.7 | .00 | .0 | ..... | 6 mos. | 11-85 | 13.2 | 10.3 | .4 | .4 | .07 | .08 | 25.4 | 21.0 | 1.1 | .8 | .22 | .16 |
| Stuff Yer Face O | .28 | .00 | .0 | 0.34 | 0.25 | 1.44 | .22 | 844 | .56 | .78 | - 28.2 | NE | .00 | .0 | ..... | 6 mos. | 09-85 | .9 | .5 | (.2) | (.1) | (.01) | NC | 1.7 | 1.0 | (.3) | (.2) | (.02) | (.01) |
| Swensens Inc O | 1.19 | .00 | .0 | 1.38 | 1.19 | 2.75 | 1.00 | 23 | .04 | .26 | - 84.6 | NE | .00 | .0 | ..... | 9 mos. | 09-85 | 2.8 | 12.7 | .1 | .2 | .02 | .04 | 8.6 | 18.0 | (.2) | .2 | (.02) | .05 |
| Taco Villa O | 3.75 | .00 | .0 | 4.25 | 3.75 | 6.75 | 2.75 | 27 | .03 | .07 | - 57.1 | 53.6 | .00 | .0 | ..... | 9 mos. | 09-85 | 22.4 | 7.2 | (.3) | .3 | (.04) | .08 | 56.5 | 21.5 | .0 | .9 | .00 | .23 |
| Taco Viva M | 3.50 | .38 | 12.0 | 3.50 | 3.25 | 6.88 | 2.38 | 137 | .40 | .99 | - 59.6 | NE | .00 | .0 | ..... | 6 mos. | 11-85 | 4.7 | 5.6 | (1.2) | .3 | (.34) | .08 | 11.0 | 12.2 | (1.2) | .6 | (.35) | .17 |
| TGI Friday's N | 7.13 | - .25 | - 3.4 | 7.50 | 7.00 | 12.38 | 7.00 | 326 | .29 | .77 | - 62.3 | 13.7 | .00 | .0 | ..... | fiscal | 12-85 | 78.3 | 75.6 | .8 | 3.2 | .04 | .17 | 314.4 | 285.0 | 9.5 | 11.9 | .52 | .65 |
| TGIF Texas O | 2.00 | .00 | .0 | 2.50 | 2.00 | 2.25 | 2.00 | 1 | .01 | .10 | - 90.0 | NE | .00 | .0 | ..... | 9 mos. | 09-85 | 3.3 | 2.8 | (.2) | (.1) | (.10) | (.07) | 9.8 | 8.3 | (.6) | (.3) | (.38) | (.20) |
| TCBY Enterprises M | 24.25 | 1.25 | 5.4 | 24.25 | 22.75 | 25.88 | 7.66 | 2,804 | 3.72 | 4.38 | - 15.1 | 53.9 | .00 | .0 | ..... | fiscal | 11-85 | 4.8 | 1.5 | .9 | .3 | .13 | .04 | 17.1 | 5.4 | 3.1 | 1.0 | .45 | .14 |
| Transworld N | 41.38 | - .50 | - 1.2 | 42.13 | 40.00 | 43.25 | 32.00 | 17,164 | 4.82 | 3.08 | 56.5 | 7.3 | .48 | 1.2 | ..... | fiscal | 12-85 | 654.7 | 522.9 | 133.6 | 29.5 | 3.51 | .75 | 2151.6 | 2002.0 | 217.5 | 115.0 | 5.66 | 3.14 |
| Twistee Treat O | 3.38 | - .25 | - 6.9 | 3.50 | 3.38 | 5.56 | 2.06 | 1,963 | 1.14 | 1.43 | - 20.3 | NE | .00 | .0 | ..... | 9 mos. | 10-85 | .4 | .2 | (.4) | (.4) | (.07) | (.03) | 1.5 | .4 | (1.0) | (1.0) | (.07) | (.09) |
| USACafes M | 6.25 | .38 | 6.4 | 6.38 | 6.00 | 6.38 | 4.00 | 1,741 | 2.76 | 1.81 | 52.5 | 14.9 | .28 | 4.5 | ..... | 3 mos. | 12-85 | 4.7 | 4.6 | .6 | .4 | .09 | .07 | 4.7 | 4.6 | .6 | .4 | .09 | .07 |
| Vicorp Restaurants M | 17.50 | 1.88 | 12.0 | 17.50 | 15.75 | 28.25 | 15.25 | 6,195 | 7.34 | 7.12 | 3.1 | 47.3 | .12 | .7 | ..... | fiscal | 10-85 | 97.4 | 87.9 | (2.5) | 2.9 | (.30) | .45 | 383.8 | 242.3 | 3.4 | 8.7 | .37 | 1.32 |
| Victoria Stations M | .44 | - .19 | - 30.0 | 0.63 | 0.38 | 4.38 | .44 | 2,525 | 5.48 | 2.20 | 149.1 | NE | .00 | .0 | NEW | 9 mos. | 12-85 | 22.3 | 27.6 | (19.1) | (1.2) | (4.05) | (.35) | 62.9 | 73.5 | (24.3) | (3.7) | (5.28) | (1.05) |
| Wendys Intl N | 17.25 | .25 | 1.5 | 17.88 | 16.88 | 19.25 | 14.38 | 19,872 | 2.61 | 1.73 | 50.9 | 16.7 | .24 | 1.4 | ..... | fiscal | 12-85 | 295.4 | 244.2 | 18.6 | 17.6 | .25 | .24 | 1125.6 | 939.1 | 76.2 | 68.7 | 1.03 | .94 |
| Wstn Steer M | 11.00 | - 1.00 | - 8.3 | 12.00 | 11.00 | 12.00 | 7.19 | 52 | .34 | .55 | - 38.2 | 12.0 | .16 | 1.5 | ..... | 9 mos. | 11-85 | 12.6 | 11.2 | .5 | .1 | .31 | .04 | 35.8 | 31.0 | 1.2 | .5 | .74 | .30 |
| Winners Cp N | 5.50 | - .75 | - 12.0 | 6.25 | 5.50 | 9.63 | 5.13 | 792 | 1.97 | 2.27 | - 13.2 | NE | .00 | .0 | NEW | fiscal | 12-85 | 28.7 | 28.7 | (1.7) | .3 | (.43) | .07 | 112.2 | 108.4 | (3.6) | 1.6 | (.90) | .37 |

**NOTES AND EXPLANATIONS: Market:** N—New York Stock Exchange. A—American Stock Exchange. O—NASDAQ Over-The-Counter. M—NASDAQ National Market. **Reporting Period:** 3 mos.—First quarter of fiscal year. 6 mos.—First six months of fiscal year. 9 mos.—First nine months of fiscal year. fiscal—Fiscal year. NEW—New report since last issue. **General Field Footnotes:** NA—Not available or not applicable. NC—Data required for calculation currently incomplete in our files. NE—Negative earnings invalidate calculations. NM—No meaningful figure. a—stock dividend. b—cash plus stock dividend. **The Charts:** The *NRN* Stock Index calculates the per cent change in the market value of food-service operators since Oct. 28, 1983. The *NRN* Stock Index vs. Dow Jones Index calculates the relative performance of the two indexes from their levels of 52 weeks ago.



Source: Media General Financial Services



Oct. 28, 1983 = 100

| | Stock Market | | | | | | | | | | | Financial Update | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Price | | | | | | | Volume | | | | | Indicated Divd. Rate | | Latest Report | | | Latest Quarter | | | | | | Year-to-Date | | | | | |
| | 2-28-86 | Weekly Change | | Weekly Range | | 52-Week Range | | Weekly Shares Traded | | 12-Week Avg. Vol. | Volume Trend | P/E | | | New | | Date | Revenue | | Net Income | | E.P.S. | | Revenue | | Net Income | | E.P.S. | |
| Company and Market | Close | Amt. | Pct. | High | Low | High | Low | Total | % Out | As % Out | Change | Ratio | Amt. | Yld. | Report | Period | Ended | Latest | Yr. Ago | Latest | Yr. Ago | Latest | Yr. Ago | Latest | Yr. Ago | Latest | Yr. Ago | Latest | Yr. Ago |
| - | $ | $ | % | $ | $ | $ | $ | (100) | % | % | % | - | $ | % | - | - | - | $Mil | $Mil | $Mil | $Mil | $ | $ | $Mil | $Mil | $Mil | $Mil | $ | $ |
| **Hotels, Motels, and Casinos** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Brock Hotel Cp N | .88 | - .06 | - 6.7 | 0.94 | 0.75 | 3.63 | .56 | 1,278 | .91 | 1.51 | - 39.7 | NE | .00 | .0 | ..... | 9 mos. | 09-85 | 55.8 | 61.0 | (39.1) | (24.6) | (2.81) | (1.87) | 184.5 | 202.4 | (39.0) | (26.3) | (2.80) | (2.00) |
| Club Med N | 26.00 | .13 | .5 | 26.00 | 25.25 | 26.63 | 19.75 | 728 | .53 | .65 | - 18.5 | 25.0 | .20 | .8 | ..... | fiscal | 10-85 | 58.2 | 48.6 | (1.3) | (.3) | (.09) | (.04) | 279.7 | 235.3 | 14.2 | 12.0 | 1.04 | 1.14 |
| Golden Nugget N | 14.38 | 1.00 | 7.5 | 14.63 | 13.38 | 14.75 | 9.50 | 5,557 | 1.68 | 2.32 | - 27.6 | 22.1 | .00 | .0 | ..... | fiscal | 12-85 | 90.6 | 93.1 | (6.7) | (14.1) | (.19) | (.39) | 385.0 | 384.9 | 22.6 | 8.1 | .65 | .23 |
| Hilton Hotels N | 69.00 | 3.13 | 4.7 | 70.38 | 65.63 | 73.50 | 55.75 | 4,094 | 1.66 | .80 | 107.5 | 17.1 | 1.80 | 2.6 | ..... | fiscal | 12-85 | 184.3 | 95.2 | 28.8 | 46.0 | 1.16 | 1.77 | 712.4 | 600.1 | 100.2 | 114.0 | 4.03 | 4.33 |
| Holiday Cp N | 67.25 | - .38 | - .6 | 68.38 | 64.75 | 68.88 | 48.75 | 3,395 | 1.32 | 1.58 | - 16.5 | 13.3 | 1.00 | 1.5 | ..... | fiscal | 12-85 | 415.2 | 430.9 | 24.6 | 20.6 | .99 | .59 | 1802.5 | 1759.8 | 141.3 | 131.0 | 5.06 | 3.59 |
| LaQuinta Mot N | 12.50 | .13 | 1.0 | 12.75 | 12.25 | 15.00 | 11.00 | 1,881 | 1.30 | 1.05 | 23.8 | 25.5 | .00 | .0 | ..... | 6 mos. | 11-85 | 43.0 | 38.5 | 1.2 | 2.2 | .09 | .15 | 93.0 | 81.3 | 5.2 | 7.1 | .36 | .49 |
| Prime Mtr Inn N | 48.88 | 2.63 | 5.7 | 48.88 | 45.50 | 48.88 | 21.38 | 4,626 | 2.16 | 1.73 | 24.9 | 32.4 | .09 | .2 | ..... | 6 mos. | 12-85 | 79.6 | 54.6 | 8.3 | 5.5 | .41 | .28 | 154.1 | 102.5 | 16.1 | 11.3 | .81 | .58 |
| Ramada Inns N | 9.25 | .75 | 8.8 | 9.75 | 8.38 | 9.75 | 6.25 | 21,770 | 5.85 | 3.09 | 89.3 | 25.0 | .00 | .0 | ..... | fiscal | 12-85 | 138.7 | 151.7 | 2.3 | (2.1) | .06 | (.05) | 583.2 | 598.1 | 13.8 | 4.7 | .37 | .13 |
| Servico Inc M | 22.75 | - .25 | - 1.1 | 23.25 | 22.75 | 26.25 | 15.91 | 391 | 1.03 | .89 | 15.7 | 17.0 | .00a | .0 | ..... | 9 mos. | 09-85 | 42.3 | 48.9 | .9 | 3.4 | .23 | .90 | 135.4 | 139.1 | 5.1 | 6.2 | 1.34 | 1.64 |
| Sonesta Intl M | 21.50 | .00 | .0 | 24.00 | 21.50 | 27.00 | 21.00 | 0 | .00 | .04 | -100.0 | 5.9 | .40 | 1.9 | ..... | 9 mos. | 09-85 | 19.8 | 20.9 | .0 | (.6) | (.01) | (.38) | 52.7 | 57.2 | (.3) | (.6) | (.21) | (.41) |
| Utd Inns N | 44.00 | - .38 | - .8 | 44.38 | 43.75 | 45.00 | 36.00 | 55 | .21 | .74 | - 71.6 | 23.3 | .22 | .5 | NEW | 3 mos. | 12-85 | 40.4 | 41.0 | 2.6 | (.5) | .97 | (.20) | 40.4 | 41.0 | 2.6 | (.5) | .97 | (.20) |
| **Other Companies with Food-Service Operations** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Allegheny Bev M | 28.00 | 2.50 | 9.8 | 28.63 | 26.00 | 28.25 | 15.00 | 14,040 | 22.50 | 9.89 | 127.5 | NE | 1.60 | 5.7 | ..... | * | | | | | | | | | | | | | |
| Benihana Natl M | 8.38 | - 1.38 | - 14.1 | 9.38 | 8.25 | 21.75 | 8.38 | 968 | 3.25 | 3.92 | - 17.1 | 14.4 | .00 | .0 | NEW | 9 mos. | 12-85 | 14.6 | 15.4 | (.8) | .7 | (.26) | .23 | 58.3 | 39.7 | .4 | 1.8 | .13 | .62 |
| Disney Walt Co N | 139.25 | 11.88 | 9.3 | 141.50 | 127.25 | 141.50 | 73.63 | 6,463 | 1.97 | 2.46 | - 19.9 | 26.6 | 1.20 | .9 | ..... | 3 mos. | 12-85 | 504.2 | 426.5 | 34.7 | 32.2 | 1.04 | .95 | 504.2 | 426.5 | 34.7 | 32.2 | 1.04 | .95 |
| Flanigan Ents A | 4.25 | - .88 | - 17.1 | 5.50 | 4.00 | 10.00 | 4.00 | 262 | 2.81 | .79 | 255.7 | NE | .00 | .0 | NEW | 3 mos. | 12-85 | 11.6 | 16.6 | 1.1 | .3 | 1.16 | .29 | 11.6 | 16.6 | 1.1 | .3 | 1.16 | .29 |
| Gen Mills N | 69.25 | 9.13 | 15.2 | 70.13 | 60.50 | 70.13 | 52.00 | 13,884 | 3.12 | 1.29 | 141.9 | 52.1 | 2.32 | 3.4 | ..... | 6 mos. | 11-85 | 1203.5 | 1559.4 | 46.0 | 55.6 | 1.03 | 1.23 | 2271.4 | 2945.8 | 94.9 | 109.7 | 2.13 | 2.43 |
| Grace W R N | 49.00 | - 4.63 | - 8.6 | 53.88 | 48.50 | 57.25 | 35.50 | 14,749 | 2.71 | 3.65 | - 25.8 | 17.4 | 2.80 | 5.7 | ..... | fiscal | 12-85 | 2013.2 | 1830.8 | 44.7 | 59.1 | .86 | 1.22 | 7260.1 | 6727.8 | 146.9 | 195.6 | 2.82 | 4.02 |
| Horn & Hardart A | 7.50 | - .38 | - 4.8 | 7.88 | 7.13 | 11.75 | 6.00 | 2,245 | 1.84 | 1.97 | - 6.6 | NE | .00a | .0 | ..... | 9 mos. | 09-85 | 84.1 | 85.8 | (5.9) | .5 | (.50) | NC | 257.7 | 265.9 | (7.6) | 6.6 | (.66) | .49 |
| LDBrinkman Cp M | 7.75 | - .13 | - 1.6 | 7.75 | 7.38 | 9.88 | 5.25 | 1,384 | 2.27 | 3.22 | - 29.5 | NE | .00 | .0 | ..... | 3 mos. | 10-85 | 63.6 | 69.5 | 1.0 | 2.9 | .14 | .43 | 63.6 | 69.5 | 1.0 | 2.9 | .14 | .43 |
| Mortronics Inc A | 1.88 | .38 | 25.0 | 1.88 | 1.50 | 2.13 | 1.13 | 333 | .66 | .59 | 11.9 | NE | .00 | .0 | ..... | 9 mos. | 11-85 | 3.8 | 5.4 | .1 | (.5) | .03 | (.10) | 11.8 | 17.1 | .2 | (1.9) | .05 | (.38) |
| Ogden Corp N | 31.38 | 1.63 | 5.5 | 31.63 | 28.75 | 34.63 | 26.50 | 4,343 | 2.27 | 1.49 | 52.3 | NE | 1.80 | 5.7 | ..... | fiscal | 12-85 | 260.3 | 524.3 | (43.5) | 8.1 | (2.27) | .42 | 1026.4 | 2136.7 | (21.6) | 39.5 | (1.15) | 2.05 |
| Pasquale Fd M | 22.50 | - .50 | - 2.2 | 23.00 | 20.00 | 23.00 | 7.84 | 35 | .22 | .36 | - 38.9 | 35.7 | .02 | .1 | ..... | 3 mos. | 12-85 | 18.3 | 14.6 | .9 | .6 | .17 | .12 | 18.3 | 14.6 | .9 | .6 | .17 | .12 |
| PepsiCo Inc N | 77.25 | 3.88 | 5.3 | 77.50 | 73.00 | 77.50 | 47.63 | 16,919 | 1.87 | 1.71 | 9.4 | 13.3 | 1.78 | 2.3 | ..... | fiscal | 12-85 | 2420.5 | 2272.7 | 89.3 | 89.6 | 1.02 | .95 | 8056.7 | 7698.6 | 543.7 | 348.6 | 5.83 | 3.67 |
| Pillsbury Co N | 69.13 | 5.00 | 7.8 | 71.00 | 62.63 | 71.00 | 44.75 | 8,562 | 1.97 | 1.06 | 85.8 | 16.3 | 1.72 | 2.5 | ..... | 6 mos. | 11-85 | 1527.9 | 1256.5 | 55.0 | 66.1 | 1.26 | 1.52 | 2755.7 | 2280.0 | 97.7 | 105.0 | 2.24 | 2.42 |
| Reynolds, RJ N | 38.00 | 2.38 | 6.7 | 38.13 | 35.13 | 38.13 | 24.75 | 35,760 | 1.41 | 1.55 | - 9.0 | 10.6 | 1.48 | 3.9 | ..... | fiscal | 12-85 | 5529.0 | 2767.3 | 334.0 | 250.0 | 1.17 | .87 | 16595.0 | 9915.0 | 1001.0 | 935.0 | 3.60 | 3.13 |
| Southland Corp N | 48.75 | 1.75 | 3.7 | 49.75 | 46.25 | 50.00 | 28.75 | 19,447 | 4.10 | 2.29 | 79.0 | 11.6 | 1.12 | 2.3 | ..... | 9 mos. | 09-85 | 3342.3 | 3185.4 | 79.3 | 56.9 | 1.65 | 1.21 | 9479.0 | 9023.9 | 169.0 | 129.7 | 3.55 | 2.76 |
| Vie de France M | 7.38 | - .38 | - 4.8 | 7.63 | 7.25 | 12.88 | 6.50 | 1,668 | 1.54 | 1.67 | - 7.8 | 17.6 | .23 | 3.1 | ..... | 6 mos. | 12-85 | 14.7 | 15.5 | .9 | 1.6 | .07 | .14 | 29.0 | 29.7 | 1.9 | 3.0 | .17 | .27 |
| **Manufacturers and Distributors** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Alco Standard N | 40.50 | 1.75 | 4.5 | 41.38 | 38.75 | 41.38 | 31.50 | 2,385 | 1.13 | .84 | 34.5 | 18.0 | 1.24 | 3.1 | ..... | 3 mos. | 12-85 | 1021.2 | 901.8 | 14.8 | 16.2 | .66 | .73 | 1021.2 | 901.8 | 14.8 | 16.2 | .66 | .73 |
| Anchor Hockng N | 27.38 | .88 | 3.3 | 27.75 | 25.50 | 27.75 | 20.63 | 3,063 | 2.91 | 1.67 | 74.3 | NM | 1.48 | 5.4 | ..... | fiscal | 12-85 | 187.8 | 191.7 | (7.6) | (26.4) | (.73) | (2.55) | 720.3 | 713.0 | 2.4 | (21.9) | .23 | (2.12) |
| Anderson, Clay N | 54.63 | - .75 | - 1.4 | 55.38 | 54.50 | 61.25 | 35.63 | 1,099 | .91 | 2.04 | - 55.4 | 31.2 | 1.32 | 2.4 | ..... | 6 mos. | 12-85 | 397.4 | 485.1 | 12.6 | 8.7 | 1.03 | .72 | 770.7 | 929.8 | 15.5 | 10.7 | 1.27 | .88 |
| Angelica N | 27.75 | - 1.00 | - 3.5 | 28.88 | 27.75 | 29.63 | 18.50 | 855 | .92 | .79 | 16.5 | 14.8 | .60 | 2.2 | ..... | 9 mos. | 10-85 | 70.7 | 63.1 | 4.8 | 4.5 | .51 | .48 | 201.1 | 185.9 | 13.4 | 12.4 | 1.44 | 1.33 |
| Anheuser Bu N | 44.13 | .50 | 1.1 | 44.75 | 41.13 | 45.75 | 25.34 | 30,674 | 2.20 | 1.76 | 25.0 | 15.5 | .80 | 1.8 | ..... | fiscal | 12-85 | 1697.9 | 1579.3 | 79.2 | 71.9 | .51 | .46 | 7000.3 | 6501.2 | 443.7 | 391.5 | 2.84 | 2.46 |
| Bastian Indus O | 3.63 | - .13 | - 3.3 | 3.81 | 3.63 | 5.25 | 2.75 | 164 | .60 | .36 | 66.7 | 10.7 | .00 | .0 | ..... | 3 mos. | 10-85 | 32.7 | 37.8 | (.3) | .7 | (.17) | .20 | 32.7 | 37.8 | (.3) | .7 | (.17) | .20 |
| Beatrice Cos N | 46.63 | .75 | 1.6 | 46.75 | 46.00 | 47.63 | 28.00 | 38,607 | 3.53 | 3.96 | - 10.9 | 11.8 | 1.80 | 3.9 | ..... | 9 mos. | 11-85 | 3024.0 | 3748.0 | 88.0 | 127.0 | .79 | 1.34 | 8647.0 | 9196.0 | 216.0 | 300.0 | 2.04 | 3.16 |
| Borden Inc N | 57.50 | .75 | 1.3 | 57.63 | 54.38 | 57.75 | 32.38 | 7,907 | 1.55 | 1.48 | 4.7 | 15.3 | .15b | .3 | ..... | fiscal | 12-85 | 1246.6 | 1145.3 | 55.7 | 52.6 | 1.09 | 1.00 | 4716.2 | 4568.0 | 193.8 | 191.4 | 3.75 | 3.57 |
| Bridgford Fds M | 4.38 | - .13 | - 2.8 | 4.63 | 4.38 | 4.88 | 3.75 | 23 | .18 | .19 | - 5.3 | 10.9 | .00 | .0 | ..... | 6 mos. | 04-85 | 12.7 | 12.3 | .1 | .1 | .14 | .06 | 25.7 | 25.2 | .2 | .2 | .24 | .18 |
| Campbell Soup N | 52.00 | 1.88 | 3.7 | 52.00 | 48.75 | 58.13 | 32.00 | 6,735 | 1.04 | .87 | 19.5 | 15.9 | 1.32 | 2.5 | ..... | 6 mos. | 01-86 | 1180.6 | 1063.1 | 69.7 | 60.2 | 1.08 | .94 | 2258.2 | 2062.0 | 121.5 | 106.8 | 1.88 | 1.66 |
| Canandaigua W A | 55.75 | 3.88 | 7.5 | 57.00 | 52.25 | 67.00 | 27.50 | 285 | 1.49 | 1.78 | - 16.3 | 11.1 | .00 | .0 | ..... | 3 mos. | 11-85 | 32.8 | 29.1 | 1.8 | 1.7 | .93 | .87 | 32.8 | 29.1 | 1.8 | 1.7 | .93 | .87 |
| Carling OKeef N | 8.50 | - .13 | - 1.4 | 8.63 | 8.38 | 12.38 | 8.38 | 291 | .13 | .21 | - 38.1 | NM | .48 | 5.6 | ..... | 9 mos. | 12-85 | 231.7 | 143.4 | 2.7 | (7.6) | .10 | (.37) | 735.7 | 481.1 | 6.4 | 18.9 | .22 | .80 |
| Castle & Cooke N | 13.75 | - .88 | - 6.0 | 14.75 | 13.63 | 15.00 | 10.00 | 5,216 | 1.31 | .99 | 32.3 | NE | .00 | .0 | ..... | 3 mos. | 09-85 | 473.6 | 460.4 | 5.3 | (12.2) | (.03) | (.59) | 473.6 | 460.4 | 5.3 | (12.2) | (.03) | (.59) |
| Clorox Co N | 50.00 | 2.38 | 5.0 | 50.25 | 47.75 | 50.50 | 31.50 | 7,557 | 2.85 | 1.58 | 80.4 | 14.5 | 1.36 | 2.7 | ..... | 6 mos. | 12-85 | 207.1 | 209.6 | 13.6 | 12.1 | .51 | .46 | 492.2 | 468.1 | 40.0 | 35.1 | 1.51 | 1.33 |
| Coca Cola Co N | 96.25 | 4.50 | 4.9 | 98.25 | 90.75 | 98.25 | 63.50 | 13,946 | 1.07 | 1.09 | - 1.8 | 17.5 | 3.12 | 3.2 | NEW | fiscal | 12-85 | 1936.9 | 1783.7 | 189.4 | 130.4 | 1.45 | 1.00 | 7903.9 | 7364.0 | 722.3 | 628.8 | 5.51 | 4.76 |
| Coors, Adolph M | 25.50 | .50 | 2.0 | 25.75 | 23.63 | 25.50 | 14.50 | 9,519 | 2.69 | 2.74 | - 1.8 | 16.8 | .50 | 2.0 | ..... | fiscal | 12-85 | 278.9 | 248.3 | 7.8 | .2 | .22 | .01 | 1281.1 | 1132.6 | 53.4 | 44.7 | 1.52 | 1.28 |
| ConAgra N | 49.75 | 2.13 | 4.5 | 49.75 | 47.00 | 49.75 | 27.88 | 2,867 | .86 | .67 | 28.4 | 17.5 | 1.00 | 2.0 | ..... | 6 mos. | 11-85 | 1444.1 | 1420.1 | 30.8 | 27.6 | .90 | .80 | 3019.9 | 2886.8 | 53.4 | 46.9 | 1.55 | 1.35 |
| Corning Glass N | 69.50 | .38 | .5 | 69.75 | 68.00 | 72.00 | 34.63 | 4,239 | .99 | 1.19 | - 16.8 | 27.5 | 1.40 | 2.0 | ..... | fiscal | 12-85 | 398.1 | 404.1 | 28.5 | 14.5 | .66 | .34 | 1690.5 | 1732.7 | 107.6 | 88.9 | 2.53 | 2.11 |
| CPC Intl Inc N | 57.13 | 1.38 | 2.5 | 57.38 | 54.88 | 57.38 | 38.75 | 3,690 | .76 | .87 | - 12.6 | 19.6 | 2.20 | 3.9 | ..... | fiscal | 12-85 | 1071.5 | 1074.2 | 51.9 | 55.2 | 1.07 | 1.14 | 4209.9 | 4373.3 | 142.0 | 193.4 | 2.92 | 3.98 |
| Crown Zeller N | 45.13 | .88 | 2.0 | 45.50 | 44.25 | 46.00 | 33.13 | 6,489 | 2.38 | 1.87 | 27.3 | 16.6 | 1.00 | 2.2 | ..... | 6 mos. | 06-85 | 788.4 | 772.3 | 21.5 | 32.5 | .63 | 1.04 | 1531.4 | 1489.5 | 40.7 | 53.7 | 1.19 | 1.68 |
| Dart & Kraft N | 46.88 | 1.38 | 3.0 | 48.00 | 45.25 | 48.00 | 29.72 | 13,758 | .95 | 1.13 | - 15.9 | 14.6 | 1.56 | 3.3 | ..... | fiscal | 12-85 | 2658.7 | 2478.2 | 142.3 | 125.5 | .98 | .86 | 9942.3 | 9758.7 | 466.1 | 455.8 | 3.22 | 3.00 |
| Dean Foods N | 47.00 | 3.25 | 7.4 | 47.00 | 43.50 | 47.00 | 29.00 | 1,622 | 1.18 | .64 | 84.4 | 20.3 | .56 | 1.2 | NEW | fiscal | 12-85 | 266.3 | 251.6 | 9.4 | 8.1 | .68 | .59 | 1034.1 | 923.1 | 31.8 | 26.5 | 2.31 | 1.93 |
| Doskocil Cos O | 1.75 | .41 | 30.2 | 1.81 | 1.38 | 1.75 | 1.00 | 8,612 | 1.66 | .74 | 124.3 | 35.0 | .00 | .0 | ..... | 9 mos. | 09-85 | 28.0 | 27.8 | .9 | .8 | .01 | .02 | 79.4 | 79.6 | 2.4 | 2.6 | .04 | .05 |
| Economics Lab M | 46.00 | - .50 | - 1.1 | 46.25 | 45.63 | 46.50 | 27.25 | 3,320 | 2.51 | 1.77 | 41.8 | 14.9 | 1.04 | 2.3 | ..... | 6 mos. | 12-85 | 202.7 | 179.7 | 10.1 | 9.2 | .76 | .68 | 389.8 | 343.9 | 18.9 | 16.7 | 1.41 | 1.23 |
| Fleming Cos N | 40.00 | .13 | .3 | 40.38 | 39.38 | 41.88 | 34.13 | 1,701 | .79 | 1.60 | - 50.6 | 13.9 | 1.00 | 2.5 | ..... | fiscal | 12-85 | 1813.1 | 1524.4 | 17.1 | 15.5 | .79 | .79 | 7095.0 | 5511.8 | 60.1 | 49.6 | 2.87 | 2.70 |
| Fort How Pap N | 50.50 | - .13 | - .2 | 50.88 | 49.63 | 50.88 | 30.75 | 5,435 | .82 | .61 | 34.4 | 20.4 | .92 | 1.8 | ..... | fiscal | 12-85 | 318.7 | 323.6 | 35.9 | 31.0 | .56 | .49 | 1363.3 | 1338.6 | 157.0 | 133.1 | 2.47 | 2.11 |
| Heinz, HJ N | 35.50 | 2.00 | 6.0 | 35.50 | 33.13 | 35.50 | 22.63 | 9,380 | .69 | .72 | - 4.2 | 17.4 | .90 | 2.5 | ..... | 6 mos. | 10-85 | 1085.5 | 1040.4 | 74.9 | 69.7 | .55 | .50 | 2133.6 | 2061.7 | 156.5 | 141.7 | 1.14 | 1.03 |
| Hormel, George A | 28.00 | 2.50 | 9.8 | 28.63 | 25.38 | 28.63 | 16.19 | 761 | .40 | .31 | 29.0 | 13.7 | .56 | 2.0 | NEW | 3 mos. | 01-86 | 480.8 | 357.2 | 8.9 | 8.3 | .46 | .43 | 480.8 | 357.2 | 8.9 | 8.3 | .46 | .43 |
| Intl Multifood M | 39.75 | 2.88 | 7.8 | 40.00 | 36.75 | 43.25 | 26.75 | 566 | .69 | 1.00 | - 31.0 | 13.2 | 1.76 | 4.4 | ..... | 9 mos. | 11-85 | 384.5 | 339.6 | 9.7 | 12.6 | 1.18 | 1.55 | 1002.1 | 899.3 | 18.0 | 14.9 | 2.19 | 1.82 |
| James River N | 45.00 | 1.63 | 3.7 | 45.25 | 43.25 | 45.25 | 23.75 | 6,144 | 1.82 | 1.95 | - 6.7 | 15.0 | .56 | 1.2 | NEW | 9 mos. | 01-86 | 608.6 | 582.7 | 15.7 | 14.8 | .38 | .42 | 1913.0 | 1847.1 | 68.0 | 67.3 | 1.92 | 2.09 |
| Kellogg N | 38.63 | 2.25 | 6.2 | 38.88 | 35.50 | 38.88 | 22.94 | 16,031 | 1.30 | .80 | 62.5 | 17.8 | 1.00 | 2.6 | ..... | 9 mos. | 09-85 | 794.9 | 676.2 | 93.6 | 76.1 | .76 | .50 | 2212.1 | 1962.7 | 226.9 | 205.8 | 1.84 | 1.35 |
| Lily Tulip M | 18.50 | - .50 | - 2.6 | 18.88 | 18.38 | 20.63 | 13.50 | 7,992 | 4.54 | 3.55 | 27.9 | 14.9 | .30 | 1.6 | ..... | 3 mos. | 12-85 | 66.4 | 64.8 | 2.8 | 2.4 | .16 | .14 | 66.4 | 64.8 | 2.8 | 2.4 | .16 | .14 |
| Litton Ind N | 84.25 | 2.75 | 3.4 | 86.50 | 80.50 | 93.50 | 64.88 | 14,271 | 5.25 | 2.17 | 141.9 | 11.7 | .00 | .0 | ..... | 3 mos. | 10-85 | 1102.9 | 1166.9 | 43.7 | 67.8 | 1.56 | 1.60 | 1102.9 | 1166.9 | 43.7 | 67.8 | 1.56 | 1.60 |
| Manitowoc M | 19.00 | .00 | .0 | 19.25 | 18.88 | 24.50 | 18.00 | 2,098 | 1.93 | 1.30 | 48.5 | 16.8 | .80 | 4.2 | ..... | 6 mos. | 12-85 | 51.3 | 35.7 | .5 | 2.0 | .05 | .19 | 86.0 | 63.3 | 4.0 | 3.9 | .37 | .36 |
| McCormick M | 37.88 | .38 | 1.0 | 38.00 | 37.13 | 38.00 | 30.75 | 1,945 | 1.57 | 2.75 | - 42.9 | 16.7 | .88 | 2.3 | ..... | fiscal | 11-85 | 267.2 | 241.8 | 16.9 | 16.3 | 1.38 | 1.34 | 873.0 | 788.4 | 27.8 | 54.6 | 2.27 | 4.40 |
| Oneida Ltd N | 16.13 | .38 | 2.4 | 16.38 | 15.50 | 17.38 | 12.00 | 238 | .36 | .58 | - 37.9 | 55.6 | .80 | 5.0 | ..... | 9 mos. | 10-85 | 70.0 | 73.9 | 3.2 | 3.4 | .48 | .52 | 191.7 | 213.5 | .4 | 8.3 | .05 | 1.26 |
| Philip Morris N | 104.50 | 3.25 | 3.2 | 106.00 | 99.00 | 106.00 | 72.00 | 29,129 | 2.44 | 2.21 | 10.4 | 10.0 | 4.60 | 4.4 | ..... | fiscal | 12-85 | 5331.6 | 2370.4 | 327.9 | 104.5 | 2.37 | .85 | 16000.0 | 10137.7 | 1300.0 | 888.5 | 10.47 | 7.24 |
| Proct & Gambl N | 69.00 | 1.00 | 1.5 | 69.38 | 65.75 | 71.75 | 50.38 | 22,067 | 1.32 | .88 | 50.0 | 16.7 | 2.60 | 3.8 | ..... | 6 mos. | 12-85 | 3865.0 | 3375.0 | 165.0 | 137.0 | .99 | .81 | 7470.0 | 6860.0 | 415.0 | 360.0 | 2.48 | 2.15 |
| Quaker Oats N | 65.00 | 5.38 | 9.0 | 65.25 | 59.13 | 65.25 | 38.25 | 8,317 | 2.10 | 1.27 | 65.4 | 16.4 | 1.40 | 2.2 | ..... | 6 mos. | 12-85 | 916.8 | 869.2 | 36.1 | 31.3 | .89 | .75 | 1762.4 | 1765.2 | 63.8 | 57.0 | 1.57 | 1.36 |
| Ralston Purina N | 55.25 | - .25 | - .5 | 55.88 | 53.38 | 55.88 | 37.75 | 11,157 | 1.44 | 1.04 | 38.5 | 12.6 | 1.10 | 2.0 | ..... | 3 mos. | 12-85 | 1331.0 | 1577.6 | 174.3 | 82.8 | 2.23 | .98 | 1331.0 | 1577.6 | 174.3 | 82.8 | 2.23 | .98 |
| Reynolds Metal N | 46.38 | 1.63 | 3.6 | 46.75 | 44.50 | 46.75 | 30.25 | 3,898 | 1.83 | 1.78 | 2.8 | NE | 1.00 | 2.2 | ..... | fiscal | 12-85 | 806.7 | 839.6 | .3 | 32.1 | (.11) | 1.48 | 3415.6 | 3728.3 | (291.6) | 131.0 | (13.65) | 6.07 |
| Rykoff SE A | 24.38 | - .50 | - 2.0 | 24.63 | 24.00 | 29.13 | 18.50 | 263 | .38 | .73 | - 47.9 | 15.3 | .60 | 2.5 | ..... | 6 mos. | 10-85 | 247.0 | 215.6 | 2.5 | 3.1 | .36 | .54 | 469.9 | 429.1 | 5.7 | 5.7 | .82 | 1.02 |
| Rymer Co N | 16.63 | 1.13 | 7.3 | 16.63 | 15.38 | 20.13 | 12.75 | 344 | 1.55 | 1.79 | - 13.4 | 11.5 | .00 | .0 | ..... | fiscal | 10-85 | 22.7 | 26.8 | 1.6 | 1.4 | .42 | .55 | 87.7 | 92.2 | 4.5 | 3.2 | 1.45 | 1.22 |
| Sara Lee N | 59.63 | 5.88 | 10.9 | 60.00 | 53.38 | 60.00 | 34.25 | 8,987 | 1.68 | 1.08 | 55.6 | 15.4 | 1.60 | 2.7 | ..... | 6 mos. | 12-85 | 2052.8 | 2100.8 | 61.3 | 54.2 | 1.11 | .94 | 3997.4 | 4053.1 | 108.2 | 98.1 | 1.95 | 1.70 |
| Scott Paper N | 59.88 | 2.00 | 3.5 | 60.88 | 57.88 | 60.88 | 34.88 | 6,384 | 1.76 | 1.31 | 34.4 | 13.2 | 1.24 | 2.1 | ..... | fiscal | 12-85 | 826.6 | 968.7 | 49.6 | 49.9 | 1.31 | 1.02 | 3049.5 | 2847.3 | 201.1 | 187.0 | 4.52 | 3.83 |
| Shelby Wms M | 22.38 | - .38 | - 1.6 | 23.00 | 22.25 | 23.00 | 12.28 | 1,522 | 1.47 | 1.22 | 20.5 | 27.3 | .16 | .7 | ..... | fiscal | 12-85 | 33.8 | 28.1 | 3.1 | 2.3 | .31 | .22 | 118.0 | 100.7 | 8.4 | 6.4 | .82 | .62 |
| Smucker, J.M. N | 42.13 | - 5.63 | - 11.8 | 47.63 | 41.50 | 51.75 | 25.88 | 801 | 1.08 | .55 | 96.4 | 18.3 | .80 | 1.4 | ..... | 6 mos. | 10-85 | 71.5 | 60.5 | 4.3 | 3.6 | .57 | .48 | 135.8 | 113.2 | 8.4 | 7.2 | 1.13 | .97 |
| Staley Cont N | 26.50 | .25 | 1.0 | 26.63 | 25.38 | 27.13 | 16.50 | 9,043 | 3.18 | 2.06 | 54.4 | 91.4 | .80 | 3.0 | ..... | 3 mos. | 12-85 | 714.3 | 571.9 | 5.6 | 2.8 | .19 | .09 | 714.3 | 571.9 | 5.6 | 2.8 | .19 | .09 |
| Sysco Corp N | 53.63 | 3.13 | 6.2 | 54.00 | 49.38 | 54.00 | 32.25 | 1,073 | .49 | .62 | - 21.0 | 21.1 | .44 | .8 | ..... | 6 mos. | 12-85 | 892.8 | 655.2 | 15.4 | 12.9 | .71 | .60 | 1537.5 | 1288.2 | 29.6 | 25.2 | 1.37 | 1.18 |
| Tyson Food Inc M | 38.75 | 2.75 | 7.6 | 38.75 | 35.25 | 38.75 | 15.59 | 4,031 | 1.89 | 2.01 | - 6.0 | 21.1 | .06 | .2 | ..... | 3 mos. | 12-85 | 294.2 | 268.5 | 10.8 | 8.3 | .51 | .43 | 294.2 | 268.5 | 10.8 | 8.3 | .51 | .43 |
| Wilson Foods M | 7.25 | - .75 | - 9.4 | 7.75 | 7.00 | 9.25 | 4.25 | 1,227 | 2.05 | 2.01 | 2.0 | NE | .00 | .0 | ..... | 3 mos. | 10-85 | 370.2 | 402.2 | (24.0) | .1 | (4.00) | .02 | 370.2 | 402.2 | (24.0) | .1 | (4.00) | .02 |

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